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MILITARY READINESS AND THE RAPID DEPLOYMENT JOINT TASK FORCE (RDJTF) 1941

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BEFORE THE

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HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

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MILITARY READINESS AND THE RAPID DEPLOYMENT JOINT TASK FORCE (RDJTF)

TUESDAY, SEPTEMBER 30, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C.

The committee met, pursuant to notice, at 10:15 a.m., in room 210, Cannon House Office Building, Hon. Robert N. Giaimo, chairman of the committee, presiding.

The CHAIRMAN. The committee will please come to order.

Today we start 2 days of hearings on the subject of military readiness and the Rapid Deployment Force (RDF). These hearings should aid the members in determining the proper level of funding for national defense in the Second Budget Resolution for Fiscal Year 1981.

Today's hearing will address the financial and manpower implications of military readiness and the Rapid Deployment Force. Tomorrow we will hear from Lieutenant General Kelley, Commander, Rapid Deployment Joint Task Force, who will address the current status and plans of RDF.

Our leadoff witnesses for today's hearing are Robert Pirie, Jr., Assistant Secretary of Defense, Manpower, Reserve Affairs and Logistics, and John Quetsch, Deputy Assistant Secretary of Defense, Comptroller.

The witnesses will discuss the manpower and financial implications of the decision to assemble the Rapid Deployment Force and give us a picture of how much we will be investing in this program, where the resources have come from, and to what extent manpower and appropriations have constrained this high priority program.

In addition to addressing the subject of the Rapid Deployment Force, we have also asked the witnesses to give us a brief update on major items which impact on readiness. We are particularly interested in knowing the current status of skilled enlisted personnel and your assessment of the impact of the Nunn-Warner amendment in this problem, how the increasing price of oil has affected defense planning over the past year, and whether this item is adequately priced in the budget for fiscal year 1981. In addition, we would like the latest DOD projection of defense outlays for fiscal year 1981.

We appreciate the fact that you were asked to appear before us on relatively short notice and also the fact that this is the week you will begin the Defense Secretary's review of the services fiscal year 1982 budget. However, we need the latest data on these vital programs in order to insure that they are appropriately considered

in establishing the funding target for the national defense function in fiscal year 1981.

As you know, very shortly we will be marking up the 1981 budget. As a result of the great changes which have taken place in recent weeks and months, and the stress on readiness and the ability to project power and forces rapidly in certain specific areas of the world, Mr. Latta and I felt that we should have an update from you in this matter.

It is very timely to get an update from you on this critical matter of defense preparedness and rapid deployment as we prepare to mark up the Second Budget Resolution.

Mr. Pirie, I understand you will be the leadoff witness. You may proceed.

STATEMENT OF HON. ROBERT B. PIRIE, JR., ASSISTANT SECRETARY OF DEFENSE, MANPOWER, RESERVE AFFAIRS AND LOGISTICS

Mr. PIRIE. Thank you, Mr. Chairman. Mr. Quetsch and I both have very brief statements which we would prefer to start off by giving, if that is agreeable with you.

The CHAIRMAN. You are going to read it?

Mr. PIRIE. Yes, sir.

The CHAIRMAN. Fine.

Mr. RUDD. Do we have copies of the statement?

The CHAIRMAN. They should be before you.

Mr. PIRIE. Mr. Chairman, members of the committee, I am here today to discuss with you the subject of military readiness.

I believe it best to begin by explaining what readiness means. Readiness is one of four components of military capability. The first component is force structure. This refers to the major units that make up our Armed Forces—for example, Army and Marine Corps divisions, Air Force tactical air wings, Navy ships.

The second component of military capability is modernization. We wish to infuse our inventory of tanks, planes, and ships with new, technically advanced equipment and replace aging, obsolescent equipment.

The third component we call sustainability. That means being able to fight long enough and hard enough to win. It calls for a strong, responsive industrial base and stockpiles to see us through until industry can gear up to meet any emergency.

The fourth is readiness, the ability to employ our forces effectively without unacceptable delays.

Clearly, each of these four components is vital to a strong military capability. Our force structure must be adequate so that we cannot be overcome by sheer numbers. Our equipment must be capable of defeating the opposing equipment of potential adversaries. We also cannot allow an adversary the advantage of simply outlasting us. And, finally, we cannot allow our investment in a large, modern, sustainable force to atrophy for want of maintenance and repair.

To be ready, a military unit needs: The equipment it is supposed to have; that equipment in working order; the people it is supposed to have; and those people well-trained to do their jobs.

Each military unit regularly evaluates and reports its own readiness in those terms: The amount and condition of its equipment and the number and state of training of its people. Each unit is rated on a scale from 1 to 5; 1 through 3 meaning fully to marginally combat ready; 4 and 5 meaning not ready, the difference being that 5 means an intentional state of unreadiness, like a ship in the shipyard for scheduled maintenance. This reporting system is called UNITREP.

I have found these recent unit reports and the publicity surrounding them troubling for two reasons. First, because they show that many of our combat units are currently not at a high state of readiness. We are working hard to correct that in ways which I shall discuss later.

The other troubling aspect is that our efforts to identify more clearly readiness deficiencies that have been around for a long, long time are being interpreted as indicating a lack of dedication to a strong national defense. To be more specific, in the past year we have for the first time standardized the readiness reports for all military units so that top managers can read them and know what they mean. And we have also made the standards more stringent so that deficient units can no longer be rated fully ready. When the new, standard criteria were installed, the ratings went down—not the readiness, the ratings.

We have uncovered and clearly defined readiness deficiencies that were masked before. Now we can and are taking steps to correct them. This is improvement; it is wrong to point to the drop in ratings as a sign of failure.

Take, for example, the much publicized shortage of Navy petty officers and Army NCO's. The new standardized readiness reporting system provides for a low rating if the unit is short of enlisted people in grades E–5 and higher. We have not just recently run short of these senior enlisted people. Today's petty officer shortage is about the same size as it was in 1976, and the number of Army NCO's has actually improved by 17,000 in the past 4 years.

Another example of improvement being called failure is the newly designated Rapid Deployment Force. The Department used to plan for a vague "one and a half war" scenario but never really spelled out what the half war entailed or what units would be employed. Since no one knew what units they were talking about, no one could criticize those units' readiness. We have now taken the important steps of organizing a command structure for those units, designating them the RDF, identifying deficiencies that were there before, and budgeting to improve their readiness.

The budget, of course, is the clearest reflection of commitment to military capability, including readiness. From fiscal year 1970 to fiscal year 1975, the Defense budget decreased in real terms every year.

We have requested and secured congressional approval of 4 consecutive years of real growth in outlays. The operations and maintenance appropriation, the key to improved readiness, grew in real terms—that is over and above inflation—by more than 14 percent from fiscal year 1978 to fiscal year 1981.

Let me give you a few examples of what we have accomplished and plan for the next several years.

We are investing over $1 billion more to repair and maintain major combat equipment. This has already reduced the backlog of ships awaiting overhaul from 68 in 1976, to less than 20 today. The Navy's aircraft component repair backlog will be virtually eliminated in fiscal year 1981 as will that of the Air Force in fiscal year 1982.

We have invested heavily in training centers here and overseas to improve troop skills. The new, automated National Training Center at Fort Irwin, Calif. will, for the first time, permit large Army units to get highly realistic combat training. That training will take place under circumstances in which we can later analyze both what went right and what went wrong.

We have increased "Red Flag" exercises—simulated air combat. Navy pilots can now fly all of the hours needed to train in their primary combat missions. In 1976 they flew 14 percent less than was needed. Air Force pilots fly about 28 percent more than they did in 1976.

All Navy fleets are steaming more than in 1976, giving crews more realistic training time at sea. Increases range from over 10 percent in the 3d Fleet to 40 percent in the 7th Fleet.

We have significantly increased our ability to deploy reinforcing divisions to Europe in the critical early days of any NATO war. Ammunition storage in Europe has been increased by nearly 55 percent, and by the end of fiscal year 1981, the stockpiles of Army equipment prepositioned in Europe will be 30 percent larger and of substantially better quality than in 1976.

We have recently improved deployability to the Middle East by prepositioning supply ships and negotiating basing rights at a rate of progress unprecedented for a major international defense program.

We plan to increase spending on Air Force replenishment spare parts by $800 million in fiscal year 1981, with further substantial increases the following year.

We plan to continue building war reserves of improved munitions and are encouraging our allies to do the same.

We have placed major emphasis on national mobilization preparedness through exercises, like Nifty Nugget and the upcoming Proud Spirit; through organizational changes, like the new Federal Emergency Management Agency and a mobilization planning office in OSD; and through programs like the recent national draft registration.

I believe that the record clearly shows a deep commitment to improving military readiness. Much remains to be done. But we have made significant inroads, identifying weakness more clearly than ever before, and applying resources to correct the problems.

We do not yet have all the capability we would like, and not all that we might conceivably need. But there should be no doubt in the minds of our citizens, our allies, or our potential enemies, that we are and will remain capable of rapidly employing massive and effective military power where required in defense of our national interests.

Mr. Chairman, that concludes my statement. Mr. Quetsch has a brief statement with respect to past funding profiles.

The CHAIRMAN. Thank you very much. We will have Mr. Quetsch's statement and then we will have questions.

STATEMENT OF JOHN R. QUETSCH, DEPUTY ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)

Mr. QUETSCH. Mr. Chairman, I won't run through all the tables.

The CHAIRMAN. Without objection we will insert your whole statement in the record and you may proceed.

Mr. QUETSCH. I will skip briefly over the statement. I will provide the basic funding framework for the discussion of the next 2 days. Most of the numbers are not new to this committee. I am sure you have discussed them in the markup.

First, I would like to discuss the overall funding pattern. On page 1 of the statement there is a table which summarizes the DOD budget, including the amendments submitted last March. Following up on Mr. Pirie's statement, you will see that it shows an increase in total funding of about 12.8 percent from 1976 to 1981, with 1976 being the last full year of the previous administration's budget.

This budget submission reflects significant real growth. We will go into the specifics of where it is in some detail. In previous years it has been difficult to achieve the planned growth because of the offsetting impact of inflation. To alleviate this problem in fiscal years 1980 and 1981, the President submitted a fiscal year 1980 supplemental and a fiscal year 1981 amendment in March to cover higher fuel costs. Subsequently, in the Mid-Session Review, the President indicated that additional funds would be needed because the cost of fuel and other DOD purchases have continued to rise above planned levels as summarized on the following pages.

You will note that we have added the fair benefits package—Nunn-Warner—amounts and also additional funding required to protect DOD programs against inflation. This was in keeping with the President's commitment of last January.

With the overall funding picture as background, I would now like to talk about the level of funding of operations and maintenance. There has been a general tendency to link readiness with the adequacy of operations and maintenance funding. While we do not believe that a precise relationship can be drawn, it is clear that a number of programs funded in O. & M. are closely tied to readiness.

On page 3 is a table summarizing the operations and maintenance appropriations as reflected in the amended budget.

The CHAIRMAN. For the overall DOD budget you are showing an increase of $6.6 billion from the March estimates; is that right?

Mr. QUETSCH. $6.8 billion.

The CHAIRMAN. Would you just go through those items?

Mr. QUETSCH. Yes. The first item is the fair benefits——

The CHAIRMAN. Is that Nunn-Warner?

Mr. QUETSCH. That is right.

The CHAIRMAN. And the pay and related $700 million is what?

Mr. QUETSCH. Those are the amounts that we had in the August Mid-Session Review for military pay.

The CHAIRMAN. Why weren't they in your March base?

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Mr. QUETSCH. The amounts were raised subsequently. Subsequently the Congress raised them even further, so these are now out of date.

The CHAIRMAN. That is what I thought.

Mr. QUETSCH. That is right.

The CHAIRMAN. That is what I wanted to get clear. That is in addition to the Nunn-Warner?

Mr. QUETSCH. That is right, yes, sir. The Nunn-Warner is a different list. This is just pay and directly related benefits computed on pay.

The CHAIRMAN. Do I understand there is an even higher proposal floating in the wings?

Mr. QUETSCH. The table does not reflect the 11.7 percent that was enacted by Congress.

Mr. PIRIE. The assumption, Mr. Chairman, on which the March budget was built was that the index by which we escalate military pay would rise 7.4 percent.

The CHAIRMAN. Right.

Mr. PIRIE. In fact, it developed late in the summer that the index rose 9.1 percent, not 7.4 percent, so that the estimate was short by that amount.

Simultaneously, the Congress took upon itself to raise pay 11.7 percent rather than even the 9.1 percent which the President would propose.

Mr. QUETSCH. OMB will be submitting those revised numbers in connection with its current services budget.

The CHAIRMAN. Then you have a $2.9 billion item for additional fuel costs?

Mr. QUETSCH. That is correct.

The CHAIRMAN. And then the $2.5 billion for nonfuel. What would that be?

Mr. QUETSCH. That is the general purchasing inflation index exclusive of fuel. We tried to separate fuel because we set the price for fuel. We buy it directly and we can set it rather precisely. We haven't got the ability to break out all the other elements of nonfuel purchases, but it includes not only hardware purchases but also purchases of services, such as base maintenance contracts.

The CHAIRMAN. That is additional inflationary costs?

Mr. QUETSCH. That is right.

The CHAIRMAN. Because you do build in inflationary costs into your basic budgets, don't you?

Mr. QUETSCH. That is correct. At Congress' insistence we do budget for inflation. Now, of course, OMB has adopted that Governmentwide so the whole Government is doing that.

The CHAIRMAN. Yes, I remember from my appropriations subcommittee days, that the Department of Defense adjusts its budget requests for anticipated inflation but this is additional inflation.

Mr. QUETSCH. That is correct. These are corrections from the March base.

The CHAIRMAN. Right.

Mr. LATTA. May I ask a question? May I ask you about this $2.3 billion figure you have? This is additional money, and you asked for some additional money, something like $2.9 billion earlier for fuel adjustment. If my figures are correct, then we have about $5.2

billion add-on for fuel costs since the budget was submitted. Would that be accurate?

Mr. QUETSCH. The $2.3 billion is the estimated expenditures in fiscal year 1981 that will result from the $2.9 billion.

Mr. LATTA. I am not talking of the $2.9 billion. Forget the $2.9 billion here. I am talking about prior adjustments on the fuel costs that were made this year after the budget was submitted.

Mr. QUETSCH. In March, yes.

Mr. LATTA. Yes.

Mr. QUETSCH. That is correct.

Mr. LATTA. That is about $2.9 billion; is that correct?

Mr. QUETSCH. That was $2.5 billion in 1980 and $2.9 billion in 1981. That is correct. There was $2.9 billion in the March revision for 1981.

Mr. LATTA. 1981?

Mr. QUETSCH. $2.5 billion in 1980 and $2.9 billion in 1981.

Mr. LATTA. So we come up with a $5.2 billion adjustment in fuel costs in the 1981 budget?

Mr. QUETSCH. $5.4 billion.

Mr. LATTA. $5.2 billion?

Mr. QUETSCH. $5.4 billion, in just fuel, which comes out instantaneously.

Mr. LATTA. Do you have the figures of adjustments in fuel costs in the 1980 budget?

Mr. QUETSCH. There was an estimate of $2.5 billion in March, and $671 million in August, in the Mid-Session Review. We included that $671 million in our 1981 estimate, Mr. Latta. We are financing fuel under 3732 deficiency authority, and we would expect to request the appropriations to cover that in 1981, but it is a 1980 cost.

Mr. LATTA. I am glad to get this nailed down because I recall very vividly Mr. Schultze saying on a program that the present Secretary of State went on with me, and I pointed out in the 1981 budget they left out something over $4.5 billion for fuel adjustment costs in the budget. Mr. Schultze spoke up immediately and told the American people, no, that is included in the budget. So apparently we have found since that time that he was in error to the tune of about $5.2 billion. I wanted to get that on the record. That is all, Mr. Chairman.

The CHAIRMAN. Thank you, and I hate to interrupt your statement, but while we are on this subject, let's try to get something cleared up here.

Could you give us some background on how the Department has managed to meet the increasing cost of petroleum products over the last fiscal year, and what your current estimate is of the price levels which will prevail in fiscal year 1981?

As I understand it, during the past 9 months there has been a substantial increase in the composite barrel price per barrel of refined petroleum products used by the Defense Department. The price per barrel used in the President's January estimate was $26.46. That estimate was shortly afterwards amended upward to $41.58, and the President's midyear review estimated the price at $54. The Defense appropriations bill, however, provides for a price

level somewhat below $49 a barrel. Now I read in the newspapers that oil is selling for about $33 a barrel.

Mr. QUETSCH. Yes, sir.

The CHAIRMAN. Why are we paying so much in the Defense Department?

Mr. QUETSCH. I think that $33 a barrel is crude.

The CHAIRMAN. Yes.

Mr. QUETSCH. It depends on what part of the world you are buying it, and how much you pay for transportation. We, of course, are buying a refined product. We are buying it all over the world. We are shipping it to different locations for storage and use. You can't make a direct comparison with the $33 a barrel figure.

The CHAIRMAN. Could you relate your price to the Appropriation Committee's bill which has $49 a barrel price?

Mr. QUETSCH. The composite price is about $46 a barrel. The House Appropriations Committee allowed about $46.

The CHAIRMAN. Not $49?

Mr. QUETSCH. That is right. There was some trimming of that figure.

The CHAIRMAN. All right.

Mr. QUETSCH. And some judgment applied.

The CHAIRMAN. Is that on track with your numbers?

Mr. QUETSCH. We have, going into effect tomorrow, a price of $49.89, compared to the Mid-Session Review price of $54. The short-term projection from the Defense Fuels Supply Center would indicate that for a change we are actually below the figures that the Council of Economic Advisers came up with for the Mid-Session Review in August.

The CHAIRMAN. You get a gold star for that one.

Mr. QUETSCH. Don't pin it on us yet. You may want to pin a rose instead because the Council of Economic Advisers appears to be coming down. That isn't clear in connection with the services budget.

The CHAIRMAN. Right.

Mr. QUETSCH. We look at the front page of the newspaper and we see prices going up. You may find that by January we are back in the same relative position.

The CHAIRMAN. Proceed with your statement.

Mr. LATTA. One further question: Isn't it also a matter of the quality of the oil that you purchase? Don't you purchase a considerable amount from Libya and from Nigeria, a higher quality oil?

Mr. QUETSCH. We quite often don't know for sure where our finished product is coming from, but we do have many contracts that have escalation clauses in them that are tied to specific sources like Libya crude or Saudi Arabia crude of a particular type. I didn't mean to deny that there was a relationship to the price of crude, which is the biggest component of the finished product.

I simply meant that we can't make a direct relationship to fuel prices worldwide. We don't buy over the whole world in the same mix that the world economy does. We may buy less, for instance, in Japan, where transportation costs and their sources make for a very high price.

We buy about a one-third of our fuel from U.S. crude. That is our estimate. In other words, we buy about two-thirds of our oil in the

States, and we assume that the source of that is about half foreign crude and half domestic. We buy about one-third of our fuel overseas. We assume that that is essentially all refined from foreign crude. Does that help answer your question?

Mr. LATTA. Right.

The CHAIRMAN. Proceed with your statement and then we will have questions.

Mr. QUETSCH. On page 3 there is a table which summarizes the operations and maintenance appropriations as reflected in the amended budget. It does not reflect the changes that will occur because of the Mid-Session Review. I would just highlight a few points from that table which is in constant 1981 dollars.

Fiscal year 1981 O. & M. funding is about 14.4 percent above 1976 levels. The total from the earlier page is about 12.8 percent higher, so as you can see, we are putting emphasis on O. & M. within the totals for defense.

O. & M. last year or over the last 4 years averages about 8 percent higher than 1976, so that is not just a recent emphasis. That emphasis has pertained pretty much throughout the period.

As I indicated, we have had a difficult time relating overall funding levels to readiness. However, it is generally agreed that a number of programs funded in operations and maintenance have a direct relationship on readiness. The most important of these are depot maintenance and unit activity levels such as flying hours and ship steaming hours. The situation is improving in all of these areas.

The table on page 4 summarizes our overall performance in depot maintenance.

Looking at the numbers in the table on page 4, you will see that in 1976 at the funding levels we were operating at, it would have taken us about 4.8 months to work off the backlog. By 1980 we estimate that backlog will be down to less than 3 months. For 1981 we are projecting about 1.6 months. So you can see that this is an example of where funding levels, unless you know where you start from, mask what we are accomplishing. That is, at the levels we are asking, we are in fact reducing backlog.

At some point, when we have them down to the right level, we can actually reduce our spending without reducing our readiness. That is, conceptually, you would revert to a maintenance-type funding.

As the table demonstrates, we have reduced the depot maintenance backlog by over $1.9 billion in real terms since fiscal year 1976, a decrease of over 60 percent. That is not just in the last year but over that period.

The backlog referred to reflects equipment which should have been inducted into a depot by the end of the funding period, but which had not been funded. There is also a backlog that is a normal management backlog. We are not addressing that. Our goal is to reduce this backlog to the extent possible.

In some activities there are considerations other than funds, which preclude the induction of equipment into the depots. For example, the operational schedule of ships sometimes requires that their induction be delayed.

Workload considerations in a depot may also dictate a slight delay in induction. The workload flow in a shipyard may dictate an October rather than September availability. We do not get too excited about that kind of slippage because it is very temporary and is not indicative of a shortage of funds. While this will result in the display of a backlog at the end of the year, it will have no real impact on readiness. All of the Navy ships scheduled to be in the backlog at the end of fiscal year 1981 are there because of operational or workload considerations. In other words, we believe we will have no backlog generated by a lack of funds in the area of ship overhaul. The table on page 5 reflects a more detailed breakdown.

The CHAIRMAN. Does that question of ship overhaul have anything to do with the recent stories on the unreadiness of the Navy for combat?

Mr. QUETSCH. It shouldn't. Most of the stories have been based on manpower problems. Mr. Pirie can address that.

The CHAIRMAN. I plan to get into that later.

Mr. PIRIE. Yes, that is right, Mr. Chairman.

The CHAIRMAN. Manpower problem?

Mr. PIRIE. It is primarily a manpower problem in the case of the carriers.

The CHAIRMAN. Go ahead.

Mr. QUETSCH. The table on page 5 shows a mixed picture. At the bottom, if I can draw your attention to that, we have identified backlogs in some key categories expressed in constant 1981 dollars. As you know, this table is perhaps a little less precise in backlogs than it is in funding, but we have used that device to give you some feel for it. There has been a dramatic reduction in the depot level maintenance backlog.

Mr. Chairman, depots are not the only place that maintenance is done on ships. Tenders perform maintenance, ships' crews perform maintenance, and activities other than shipyards perform maintenance. However, we are talking here about scheduled ship overhauls and scheduled ship maintenance.

You can see that the backlog has dropped from $2.4 billion to $614 million in comparable terms. In many other categories, as you can see, we have also reduced the backlog. We haven't achieved reductions in all cases. In the case of the Air Force, as you can see, it has gone up substantially. These are shown simply to indicate trends. You may want to inquire further, but as you can see, we started from a relatively good base in the Air Force; that is, the backlogs were very small and the growth is very small in absolute dollars compared to the decline, for instance, in the Navy.

So we are seeking throughout our budgeting process to get balance, to put the money where the most urgent problems are. Therefore you will see changes in direction by service, and within a service from one line item to another. Overall the table portrays the improvements we are making in this area.

There are other indicators of readiness which show the same pattern. In fiscal years 1976, our funding level only permitted Air Force tactical pilots to fly an average of 18 hours per month. In fiscal years 1980 and 1981 we have increased this to 23 hours per month, despite the extraordinary increase in fuel costs.

I would point out that there is no free lunch here. We are getting more time in the cockpit for the crews. The crews are more ready. It has put a comparable strain on the logistics system, obviously, to support the higher flying hours; that is, we do use more spares. We use more fuel to support that training, and we are constantly seeking a balance.

The CHAIRMAN. Where does it come from?

Mr. QUETSCH. Where does the money come from?

The CHAIRMAN. You say there is no free lunch so something has to give.

Mr. QUETSCH. That is why in some categories, Mr. Chairman, you may have read of shortages of spare parts, for instance. It isn't simply that we didn't buy enough parts for what we thought we would do, but, instead, we were able to do more. We found that we had to fly more. That has put a demand for more spare parts to support the higher flying levels.

The CHAIRMAN. You had a serious shortage of aircraft and engine spares, didn't you?

Mr. QUETSCH. We have had problems in particular types of aircraft. Some of these were deliberate risks, if you will. That is, you don't want to buy excessive quantities of spares until you know the configuration of the aircraft, and some of the new aircraft had design problems and therefore the procurements were limited.

The CHAIRMAN. Congressman Edwards in Appropriations has been critical of that for some time. Now, as I understand it, you are getting a handle on that problem?

Mr. QUETSCH. As Mr. Pirie said, we are clearly identifying those problems. We are shifting resources into those areas. It sometimes takes a while for those to show up in results.

The CHAIRMAN. Getting back, then, to what you are saying now, that you are increasing your steaming hours, your flying hours, your training hours, but there is no free lunch. Something has to give.

Mr. QUETSCH. Right. Sometimes it is money. Sometimes it is something else. Mr. Pirie mentioned the increased training we are getting because of the higher steaming in the fleet. I have some of those numbers in my statement. I think that is a positive action. It has been helpful, for instance, in the 3d and the 2d Fleets, where we are training and getting those ships ready to deploy.

The CHAIRMAN. Where are the 3d and 2d Fleets located?

Mr. PIRIE. The 3d Fleet is centered in Honolulu, covering Eastern Pacific, and the 2d Fleet is Strike Fleet Atlantic, usually in the Western Atlantic.

The CHAIRMAN. Is the 3d Fleet the one that stretches west of the Philippines?

Mr. QUETSCH. The 7th Fleet is the far deployed Pacific Fleet. The 6th is the far deployed Atlantic Fleet, and the 2d and 3d Fleets are those elements of the fleet which are generally in training, getting ready to deploy, or in some reduced state of readiness.

The CHAIRMAN. And which fleet are the ships in the Persian Gulf a part of? Are they a part of the Pacific Fleet?

Mr. QUETSCH. Yes, sir. Actually, I think ships joined that fleet from both the Atlantic and the Pacific Fleets.

The CHAIRMAN. From both; all right.

Mr. QUETSCH. My point is that while these longer deployments are good for training, they have a price in morale. We think when you get people deployed for a long time in the Indian Ocean, with no liberty ports and so forth, that a price is exacted in some of the morale problems we have seen. Some of these problems we can address with funding and some of them we can't.

The CHAIRMAN. What do you mean by a long time? In my day it was 3 years.

Mr. QUETSCH. That is what we call, today, a very long time.

In 1980 and 1981 the funding should provide the hours necessary for Navy pilots to fly the program needed for their primary combat mission, whereas in 1976 they flew about 16 percent less than that goal.

Funding for operation of the Navy fleets, as we just discussed, has also increased and some of those figures are shown on page 6.

The progress described above could not have taken place without the support of the Congress. As you pointed out, Mr. Chairman, beginning with fiscal year 1978, at the direction of the Congress we were allowed to include estimates for inflation in our operation and maintenance budget submissions. Although the amount appropriated was not always as high as we requested, and by that I mean that in the last 3 years, 1978, 1979, and 1980, O. & M. has been cut about 1.9 percent below our request. We nonetheless have been significantly better off than we would have been without that change.

Specifically, in the allowances for inflation, whereas Congress cut about 25 percent from our initial request in fiscal year 1978, the cut has been reduced to about 7 percent in 1980. It therefore appears we have met with increasing acceptance of the problem of inflation.

The introduction of an account to cover foreign currency fluctuations, an action initiated by the House Appropriations Committee, has also been a tremendous help in assuring that we are able to execute the budgeted programs.

In recent years, we have introduced a concept of price stabilization that has also been a major factor in assuring that approved programs get accomplished. This concept, which we are constantly refining, involves the establishment of fixed prices by our revolving funds that is, our stock and industrial funds.

Uncertainties of the marketplace are lodged in industrial funds where they can be more readily accommodated. That is, they don't disturb the local commander who has to make a choice between paying rising prices of certain commodities or conducting more training.

The customer accounts, primarily the operating forces, are protected from price fluctuations during execution. Since the introduction of this concept and the other features described above, our execution has improved substantially.

Of course, not all of the readiness related funding is in the operations and maintenance accounts. Investment in consumables and spares support has been significant in the fiscal year 1977 to fiscal year 1980 period. However, our fiscal year 1981 request reflects a sizable increase, as indicated by the table on page 7.

In constant dollars we are seeing an increase from 1977 in this case—we do not have 1976 figures in the table—from $3.1 to $4 billion for spares. Consumables, which includes things like repair parts, wiping rags, et cetera, increases from $3.8 to $4.2 billion.

Funding alone will not solve our spares problems. There is a problem—particularly with new systems—in determining what our spares requirements are. As we get experience with a system, we can use demand data to improve the predictability of requirements. However, the leadtimes of some of these items preclude overnight solutions.

Another recent action should have impact on readiness. The Congress recently enacted the bulk of the proposals contained in the President's fair benefits program. I will just skip over that since Mr. Pirie is going to address it.

I would like to finish by saying that we haven't done everything that we would have liked to do. The impact of inflation in 1978 and 1979 kept us from achieving the overall growth we had planned. As a result, some areas have suffered. However, we have been fairly successful in protecting the programs that we have just described and which we link most closely to readiness.

An area we have not been able to protect has been the maintenance of our bases. Since 1976 our backlog of essential maintenance (BMAR) has grown from $1,616,000 to $2,663,000. The physical plant at many of our bases is badly in need of repair. As with many other agencies and individuals, the high rate of inflation has made it necessary that we defer programs.

The President, in the Mid-Session Review, indicated that he would be submitting a request for additional funds to overcome the impact of current inflation rates. I am hopeful that we will be able to restore some of our real property maintenance deferrals in that request.

That completes my statement, Mr. Chairman.

[Testimony resumes on p. 22.]

[The prepared statement of Mr. Quetsch follows:]

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Prepared Statement of John R. Quetsch

I am pleased to be here today to present the DoD financial picture and some of our recent funding trends. I will provide the basic funding framework for the discussion of the next two days. Many of these numbers will, of course, not be new to this Committee.

First, I would like to discuss the recent overall DoD funding pattern. The following table summarizes the DoD budget, including the amendment submitted last March.

DoD Estimates
($ in Billions)

	FY 1976 Actual	FY 1977 Actual	FY 1978 Actual	FY 1979 Estimate	FY 1980 Estimate	FY 1981 Estimate	Increases FY 1980-81	% Increase
Current Dollars								
Total Obligational Authority (TOA)	95.8	107.9	116.5	124.8	141.7	161.8	20.1	14.2
Budget Authority (BA)	95.5	108.3	115.3	125.0	141.1	160.9	19.8	14.0
Outlays	87.9	95.6	103.0	115.0	130.8	147.0	16.2	12.4
Constant FY 1981 Dollars								
Total Obligational Authority (TOA)	143.5	150 5	150.9	149.5	153.8	161.8	8.0	5.2
Budget Authority (BA)	143.0	151.2	149.3	149.8	153.2	160.9	7.8	5.2
Outlays	130.4	133.0	134.0	139.3	142.7	147.0	4.3	3.1

This budget submission reflects significant real growth. In previous years, it has been difficult to achieve the planned growth because of the offsetting impact of inflation.

To alleviate this problem in FY 1980 and FY 1981, the President submitted a FY 1980 Supplemental and a FY 1981 amendment in March to cover higher fuel costs. Subsequently, in the Mid-Session Review, the President indicated that additional funds would be needed, because the cost of fuel and other DoD purchases have continued to rise above planned levels as summarized on the following page:

Department of Defense
FY 1981
($ Billions)

	TOA	B/A	OUTLAYS
March Estimate	161.8	160.9	147.0
Fair Benefits Package	.7	.7	.7
Pay and Related	.7	.7	.7
Purchases			
Fuel	2.9	2.9	2.3
Non-Fuel	2.5	2.5	1.4
Outlay Reestimate			1.8
Total Changes	6.8	6.8	6.9
July Mid-Session	168.6	167.8	153.9

With the overall funding picture as background, I would now like to talk about the level of funding of Operations and Maintenance. There has been a general tendency to link readiness with the adequacy of Operations and Maintenance funding. While we do not believe that a precise relationship can be drawn, it is clear that a number of programs funded in O&M are closely tied to readiness.

The following table summarizes the Operations and Maintenance appropriations, as reflected in the amended budget. It does not reflect the changes that will occur because of the Mid-Session Review.

OPERATIONS AND MAINTENANCE
FY 1976 - FY 1981
(In Millions Constant 81 $)

Appropriation	1976	1977	1978	1979	1980*	1981
O&M, Army	11,237	11,607	11,669	11,766	11,928	12,541
O&M, Navy	13,181	14,209	15,046	14,763	16,198	16,938
O&M, MC	771	849	883	923	955	973
O&M, AF	12,296	12,253	11,919	11,961	13,119	13,368
O&M, DA	4,044	4,113	4,039	3,895	4,022	4,173
O&M, Army Reserve	493	516	516	515	477	490
O&M, Navy Reserve	488	443	450	482	455	505
O&M, MC Reserve	21	24	24	25	25	28
O&M, AF Reserve	491	506	508	478	540	556
O&M, Army N.G.	1,015	1,011	992	960	896	891
O&M, Air N.G.	1,104	1,134	1,132	1,178	1,353	1,407
Claims	124	119	123	159	109	147
CMA	2	2	2	2	2	2
Winter Olympics	-	-	-	2	11	-
Misc.	210	-	-	-	2	-
	45,475	46,786	47,303	47,109	50,093	52,019

* Includes FY1980 Supplemental Request.

As I indicated above, we have had a difficult time relating overall funding levels to readiness. However, there is general agreement that a number of programs funded in Operations and Maintenance have a direct relationship on readiness. The most important of these are depot maintenance and unit activity levels, such as flying hours and ship operating days (steaming hours). The situation is improving in all of these areas.

The following table summarizes our overall performance in Depot Maintenance.

Depot Maintenance
Constant FY 1981 Dollars
($ in Millions)

	FY 1976	FY 1977	FY 1978	FY 1979	FY 1980	FY 1981
Funding	7,905	9,127	9,332	9,057	8,367	8,980
Backlog	3,154	2,771	1,767	2,267	1,650	1,239

As the table demonstrates, we have reduced the depot maintenance backlog by over $1.9 billion in real terms since FY 1976, a decrease of over 60 percent.

The backlog referred to reflects equipment which should have been inducted into a depot by the end of the funding period, but which had not been funded. Our goal is to reduce this backlog to the extent possible. In some activities there are considerations other than funds, which preclude the induction of equipment into the depots. For example, the operational schedule of ships sometimes requires that their induction be delayed.

Workload considerations in a depot may also dictate a slight delay in induction. The workload flow in a shipyard may dictate an October rather than September availability. This will result in the display of a backlog at the end of the year, but will have no real impact on readiness. All of the Navy ships scheduled to be in the backlog at the end of FY 1981 are there because of operational or workload considerations. The following table reflects a more detailed breakdown of depot maintenance funding and the related backlog.

DEPOT MAINTENANCE
(Constant FY 81 $ in millions)

	FY 1976	FY 1977	FY 1978	FY 1979	FY 1980	FY 1981
A. Funded						
Army	822	1,374	1,162	967	944	926
Aircraft	245	369	292	249	238	222
Combat Vehicles	262	386	411	366	343	338
Other	315	619	459	352	362	365
Navy	4,906	5,613	6,012	5,820	5,194	5,781
Ships	3,343	3,912	4,014	3,911	3,491	3,781
Aircraft	1,115	1,817	1,501	1,374	1,174	1,466
Other	449	513	497	535	529	534
Marine Corps	43	49	65	61	60	56
Air Force	2,132	2,093	2,092	2,209	2,170	2,256
Aircraft	1,741	1,696	1,833	1,901	1,877	1,973
Other	391	397	259	308	292	284
TOTAL	7,905	9,128	9,332	9,057	8,368	9,019
B. Backlog						
Army	323	471	256	194	201	219
Aircraft	51	37	25	24	36	35
Combat Vehicles	118	132	18	12	16	17
Other	154	302	212	158	149	167
Navy	2,730	2,181	1,361	1,919 1/	1,177	792
Ships	2,412	1,847	1,127	1,500	662	614
Aircraft	149	184	110	274	346	84
Other	169	150	124	145	169	96
Marine Corps	20	24	61	67	64	56
Air Force	81	93	89	87	208	172
Aircraft	66	78	79	75	182	145
Other	15	15	10	12	26	27
TOTAL	3,154	2,771	1,767	2,267	1,650	1,239

* Numbers may not add due to rounding.

The table portrays the improvements we are making in this area. We still have a way to go. We are not satisfied with the current status.

There are other indicators of readiness which show the same pattern. In FY 1976, our funding level only permitted Air Force tactical pilots to fly an average of 18 hours per month. In FY 1980 and FY 1981, we have increased this to 23 hours per month, despite the extraordinary increase in fuel costs. The Navy experience has been very similar. In FY 1980 and FY 1981, funding should provide the hours necessary for the Navy pilots to fly the hours needed to train in their primary combat mission. In 1976, they flew about 16% less than the goal.

Funding for operation of the Navy fleets has also increased. The following table shows the operating days per quarter for the 6th and 7th fleets. This too, in the face of the increase in fuel costs.

Ship Operating Days Per Quarter

	FY 1976	FY 1977	FY 1978	FY 1979	FY 1980	FY 198
Sixth Fleet	44	45	48	48	57	45
Seventh Fleet	43	45	45	47	60	58

The progress described above could not have taken place without the support of the Congress. Beginning with FY 1978, at the direction of the Congress, we were allowed to include estimates for inflation in our Operation and Maintenance budget submissions. Although the amount appropriated was not always as high as we requested, we have been significantly better off than we would have been without that change.

The introduction of an account to cover Foreign Currency Fluctuations, an action initiated by the House Appropriations Committee, has also been a tremendous help in assuring that we are able to execute the budgeted programs. $970 million has been appropriated in the last two years to protect the operating accounts against currency fluctuations. To date, we have transferred about $900 million of this amount to the operating accounts.

In recent years, we have introduced a concept of price stabilization that has also been a major factor in assuring that approved programs get accomplished. This concept, which we are constantly refining, involves the establishment of fixed prices by our revolving funds i.e., our Stock and Industrial Funds. Uncertainties of the market place are thereby lodged in these funds, where they can be more readily accommodated. The customer accounts, primarily the operating forces, are protected from price fluctuations during execution. Since the introduction of this concept, and the other features described above, our execution has improved substantially.

Of course, not all of the readiness related funding is in the operations and maintenance accounts. Investment in consumables and spares support has been significant in the FY 1977 to FY 1980 period. However, our FY 1981 request reflects a sizeable increase, as indicated by the following table:

(FY 1981 Constant $ in Billions)

	FY 1977	FY 1978	FY 1979	FY 1980	FY 1981
Spares	3.1	3.1	2.9	3.0	4.0
Consumables	3.8	4.1	3.9	3.8	4.2

Funding alone will not solve our spares problems. There is a problem - particularly with new systems - in determining what our spares requirements are. As we get experience with a system, we can use demand data to improve the predictability of requirements. However, the lead times of some of these items preclude overnight solutions.

Another recent action should have a positive impact on readiness. The Congress recently enacted the bulk of the proposals contained in the President's Fair Benefits Program. This package of military compensation improvements included a number of initiatives, some of which had been proposed earlier to the 96th Congress, some which were submitted shortly after the President's speech aboard the USS Nimitz on Memorial Day, and some of which were initiated in the Congress. Taken together, these initiatives are expected to result in significant improvements in an extremely important ingredient of military readiness - our ability to attract and retain the numbers and kinds of people needed to operate our weapons systems. The retention of quality people in critical skills is expected to improve as a result of these initiatives and others currently being developed. We expect these changes to have a clear and favorable impact on our readiness.

We haven't done everything that we would have liked to do. The impact of inflation in 1978 and 1979 kept us from achieving the overall growth we had planned. As a result, some areas have suffered. However, we have been fairly successful in protecting the programs I have described today. An area we have not been able to protect has been the maintenance of our bases. Since 1976 our backlog of essential maintenance

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(BEMAR) has grown from $1,616 million to $2,663 million. The physical plant at many of our bases is badly in need of repair. As with many other agencies and individuals, the high rate of inflation has made it necessary that we defer programs. The President, in the mid-season review submission, indicated that he would be submitting a request for additional funds to overcome the impact of current inflation rates. I am hopeful that we will be able to restore some of our real property maintenance deferrals in that request.

Mr. Chafrman, that completes my statement. I would be pleased to respond to any questions you may have.

The CHAIRMAN. For some time we have been hearing that your estimate outlays have been increasing. On page 2 you show an additional $1.8 billion. What is the reason for this?

Mr. QUETSCH. Well, good things and bad things, we think. Bad things include the impact of inflation. As it rises more, it tends to increase your rate of spending. If the price of an airplane, for instance, goes up, and you are making progress payments, then the 20 percent progress payment in a given fiscal year, is going to be more. That is bad. On the other hand, we think it also reflects to some extent earlier deliveries of some things. That is good.

Another bad thing is that one of the reasons that weapons systems are going up in cost is leadtime; that is, certain critical elements, such as castings or forgings, take longer, sometimes up to triple the time or longer than they used to. That slips a whole program, and without any change in inflation rates year to year, you have a compounding effect on the total program.

Therefore, even though our indices may not measure a higher year-to-year inflation, the total costs of inflation are higher. It quite often means that we have to do things we prefer not to in order to keep going. So it is a combination of things.

Part of it is probably the emphasis on cash management slowing down payments to some extent. We are trying not to pay contractors too soon. On the other hand, the contractors, given the costs of money, are pressing for payment as early as possible, and we have to weigh all of those things in implementing our policies.

Some of those decisions are made very low in the organizational system, but I think that overall we view inflation as probably being the biggest single factor.

The CHAIRMAN. The higher the estimate of inflation, the higher the outlay estimates?

Mr. QUETSCH. That is right.

The CHAIRMAN. Is it bad estimating?

Mr. QUETSCH. Yes, sir, I have never seen a bad actual yet. All of our errors must be estimating errors because we are trying to estimate what will actually happen. I have to take the responsibility for that. But I would say that a relationship does seem to exist

between our pattern of underestimating inflation, and our inaccurate outlay estimates.

The CHAIRMAN. We are also pretty bad at estimating inflation.

Mr. QUETSCH. Sometimes we kid ourselves.

The CHAIRMAN. Thank you for two very good statements. I get the feeling, after listening to both statements, that you are making progress in your readiness, but I also get the sinking feeling that the real problem is in manpower. Let's address that.

You have testified, Mr. Pirie, that you are investing more in repairs and maintenance of combat equipment; that you have invested heavily in training centers; that you have increased Red Flag exercises; that Navy fleets are steaming more than they were in 1976, and that flight hours and steaming hours, have increased. Yet I think there is a general impression with some of us that things are not well in our readiness posture. I have the horrible feeling that it is because of manpower problems.

What is the department and the services doing today to encourage more of the skilled enlisted personnel to stay in the service? To what extent can your retention problems be solved with money, such as increased pay and benefits, and to what extent are other factors involved in the decision to stay in the military?

Mr. PIRIE. A fair question, Mr. Chairman.

Let me say that, while I don't think manpower problems are exclusively the cause of readiness problems we see, I think they are a vital component of those problems, probably the most important component of those problems; and as you are aware, we are doing a number of things.

We think that the primary problem at the moment is compensation. We have seen, as the department's pay adequacy study last year demonstrated, a substantial erosion of the purchasing power of military pay from the time the All-Volunteer Force started in 1972 until just the recent past, in some cases by as much as 20 percent.

We are also saddled with a compensation system that is old and outmoded in a number of ways. For example, the way we compensated people for the moves that we require them to make from one duty station to another was totally out of date, and substantially undercompensated them for out-of-pocket costs.

We did not acknowledge in our compensation system the terrific differentials in housing costs from area to area, which have a substantial effect on the disposal income of individuals who are unlucky enough, if you want to put it that way, to be assigned to high cost areas like San Diego or Washington, D.C.

Those and a number of other similar problems in the compensation system have been under active study and discussion since really before our pay adequacy study, but we came up with a number of proposals which gradually worked their way into the budget and ultimately into law.

The Nunn-Warner amendment incorporated a large number of the things that we found in the pay adequacy study that were wrong in the system. The President's fair benefits package picked up a number of others, some of which we have been asking for for a number of years but hadn't succeeded in getting.

Finally, there has been an 11.7 percent across-the-board pay raise for military people. That includes catchup from previous years' raises which were capped below comparability as well as the 9.1 percent that would have been necessary for a comparability raise this year. So substantial amounts have been added to the compensation system, and some archaic structure features of it have been changed in this past year. I think it is a landmark year.

Our analysis of the effect of this on retention and on recruiting is that the changes will give us a comparability base that will stabilize the retention problem except in some critical skill areas and, because they will ultimately stabilize that problem, will reduce our recruiting problem considerably.

We recognize that every individual we retain at the first reenlistment point reduces our need to recruit people by 1½ or more people, so retention is in my view the important problem. It is the dynamic that drives the whole system.

The CHAIRMAN. What has changed that is going to enable you to retain them?

Mr. PIRIE. There have been substantial improvements in the compensation system. Our analysis indicates that without the kinds of changes that took place in this year, all the services would have continued to lose career petty officers and noncommissioned officers and that the situation will turn around in all three services, all five in fact.

The CHAIRMAN. Do you think that the existing reforms in pay and benefits will turn it around?

Mr. PIRIE. I think they will contribute substantially to that. We still have a number of areas in which I have concerns.

The CHAIRMAN. What are they?

Mr. PIRIE. I believe it is going to be necessary to increase the amount of sea pay. Asking those people to go out to the Indian Ocean-Arabian Sea for 3 or 4 months at a time is putting a terrific burden on them and makes going to sea fairly unattractive.

I believe that we will also have to do something with respect to sub pay; retaining our trained submariners, particularly the nuclear skilled ratings, is becoming very, very difficult. You recognize that their opportunities in the civilian world are really so tempting that they can hardly afford to stay in service.

So there are a number of things that we will still want to do with respect to pay and benefits, and we will still want to watch this thing very closely to insure that we don't slide back into the habit of allowing our people's real purchasing power to deteriorate year after year.

But I think the base that has been built from the things that have happened this year gives us a good situation and will stabilize the present problems.

The CHAIRMAN. A recent newspaper story alleges that "7 of the 13 carriers are unready for combat" and that "94 of the Navy's 155 air squadrons are unready for combat." Is the mechanism in place now to turn that around? I assume this results because of lack of adequate manpower.

Mr. PIRIE. It is largely a result of lack of adequate manpower. My recollection is that five or six of those aircraft carriers are below readiness standards because of lack of manpower. That, I

believe, will turn around with the improvements in compensation that we have seen.

But you will recognize that it is going to turn around very slowly. You don't build 10 years of experience in 1 year or 2 years. The experienced people that we have lost are gone. We are making an effort to recruit prior service people. We have doubled our objectives in some areas in recruiting prior service people, that is, getting back people who have left. But that is a small increment against the general requirement.

By and large, those who have failed to reenlist have left us, and their experience leaves with them. And we will have to begin the painful process of rebuilding the force. It will take time, and therefore it is very important that these compensation initiatives of this year not be seen to as a one-shot affair that we not be seen as willing to let them fade away in the future. I think that determination exists now in Congress and in the administration.

The CHAIRMAN. Thank you.

Mr. QUETSCH. If I may, Mr. Chairman, those numbers account for the total number of aircraft carriers, as you know. If a ship is in overhaul, sitting in a drydock, it is not ready. But that is hardly unplanned. It is hardly indicative of——

Mr. PIRIE. Normally we have four aircraft carriers that are torn down for major maintenance.

The CHAIRMAN. What you are saying is that of the seven, four are in normal overhaul?

Mr. PIRIE. Probably normal over the year. And the similar situation prevails with aircraft in the Navy. With the Air Force operating over fixed bases, there is a more or less constant stream of aircraft going into the depots and coming back. But carrier-deployed task forces bring their aircraft back with them on the carrier. They offload and they have to start doing their maintenance. Those aircraft, obviously, are in bad shape in terms of combat capability.

The CHAIRMAN. Except that the evidence has been mounting this year that there is more downtime on a lot of planes and ships than we would like because of personnel problems.

Mr. PIRIE. I agree with that. All I am saying is that the more money you give us to maintain ships and aircraft, the more time we will spend maintaining them.

The CHAIRMAN. I understand.

Mr. PIRIE. When we are maintaining them they are not ready.

The CHAIRMAN. I understand. What you are saying is that part of the reason why they are down is because they are being maintained.

Mr. PIRIE. Yes. It is not to minimize the manpower problems, but just to put a caution into the statistics, like 6 out of 13 or something of that sort.

The CHAIRMAN. Right.

Mr. PIRIE. If you will, Mr. Chairman, I will launch into the other part of my oration that has to do with the noncompensation parts of our manpower problems.

The CHAIRMAN. Yes.

Mr. PIRIE. It concerns the willingness of people to stay and make careers of this business. That has to do with the other part of this

business that we have been discussing. People like to be associated with organizations that have their act together, in which the equipment works or, if it doesn't work, spare parts can be obtained to fix it, where there is a business-like attitude toward getting things done, and the like, and the increased funding for repair parts, for depot maintenance and other kinds and things of that kind will also have a positive effect on retention.

Last year I had occasion to talk to some people from the British Royal Army Ordinance Corps, which is essentially a support function of the Royal Army. They said, "You know, we got a 30-percent pay raise last year and that felt pretty good, but what really made us feel good was for the first time in years we have spare parts to issue."

I think by analogy that can be transferred to our own forces; the people I have talked to in the field certainly echo that feeling. So beyond the compensation business, there is this other positive effect of paying attention to support costs so that people feel that their jobs are important enough to warrant support and warrant their dedicating themselves to the jobs at some, as we acknowledge, personal cost.

The CHAIRMAN. Thank you. Mr. Latta.

Mr. LATTA. First of all, Mr. Chairman, I want to thank you for calling these hearings. I think they are timely and very necessary. I want to thank you, gentlemen, for your testimony. I really don't know where to begin asking you some questions because you have raised a lot of good points.

The chairman has raised a couple here that I would like to have you comment on. He asked a little while ago, about some of these things you were doing, and he said something had to give. I didn't think we got an answer to that, that something had to give.

Let me ask you specifically if it wasn't procurement that had to give in a good many instances—and I have reference to things like the turndown in naval aircraft. We are not even in this budget replacing the losses through attrition in naval aircraft. Is procurement your real answer to what had to give in the question posed?

Mr. PIRIE. Within a fixed ceiling, Mr. Latta, if you spend more on supports you will spend less on modernization and that kind of thing. The 1981 budget, I think, reflects increases across the board, but they may be relatively more in the operations and maintenance areas than they would be in procurement.

Mr. LATTA. We have heard a lot about the lack of spare parts, and I have read a lot about it. Would you touch on that a little more? Is there really a lack of readiness due to spare parts? I have heard of taking spare parts off of new aircraft, for example, and putting them on other aircraft. Is that true?

Mr. PIRIE. We have substantial numbers of aircraft that are not fully mission capable because of lack of repair parts, and we have had that situation for some time. As Mr. Quetsch pointed out——

Mr. LATTA. Why don't we do something about it?

Mr. PIRIE. Those numbers are coming down. We are funding spare parts at such a level that we are reducing the number of aircraft that are not mission capable for lack of spares, and we expect, for example, the backlogs in the Navy to be down at the

end of fiscal year 1981, and for Air Force aircraft at the end of fiscal year 1982.

So we are doing something about it. We are reducing the shortage of spare parts and we are reducing backlog of aircraft now. We are reducing the backlog of major components like engines that are down because they are waiting spare parts.

Mr. LATTA. As you probably are aware, when the President submitted his fiscal year 1981 budget he had about $161.80 billion in there for defense and the Congress has now gotten that up there about $10 billion more, and hopefully with this $10 billion add on that we put on the President's submission will take care of some of these problems that we know exist.

Speaking now, and you dwelled on this Rapid Deployment Force, on Wednesday morning the Washington Post carried an article dated September 24 by Jim Schlesinger on the Rapid Deployment Force, and he is not too impressed with what you are doing with this Rapid Deployment Force.

Let me read you a couple of comments he makes.

> The overall impression is one of reallocation of unready forces from prior missions with severe limitations on equipment, supplies, transportation and doctrine.

He says:

> In truth, there is nothing rapid about the Rapid Deployment Force, either in the extended period of its creation or in its prospective speed of movement. It is not much of a force since it cannot be brought to bear in a manner to fulfill its assigned mission, and it is certainly not a new force. Whatever the potential for deployment remains to be demonstrated.

What are you doing, just shifting around some headquarters, as he pointed out in this article, which I am sure came to your attention? If not, I will make you a copy. Is that setting up a new headquarters and saying this is going to be a Rapid Deployment Force? We are not going to accomplish anything. We are not going to fool anybody. If we are just shifting these people around, what are we accomplishing?

Mr. PIRIE. I must say the part of that article that puzzles me the most is his comment about the relatively long length of time it has taken to get the Rapid Deployment Force into some kind of useful shape. Since nobody has ever tried that before, I don't see how he can make that relative comparison. Certainly he didn't try it.

The Rapid Deployment Force is indeed a concept which uses presently existing forces and organizes them and provides them with supplementary equipment and lift to meet contingencies that we foresee in the Persian Gulf-Indian Ocean area. And General Kelley will be able to tell you about that in some detail.

I am not familiar with it in detail, but I will tell you that the formation of that headquarters at the beginning of serious, detailed planning, the purchase of near-term deployment shifts, their deployment to Diego Garcia loaded with appropriate equipment for the advance Marine contingent of the RDF and so forth has improved our capability to react to contingencies in that area enormously, just in the limited time that we have been working on it.

It is not an utterly finished concept. It is, however, something that has been undertaken and is moving out in my view quite briskly.

Mr. LATTA. Actually, wasn't it a fact that in the early 1960's Secretary McNamara at that time proposed to the Congress something akin to this Rapid Deployment Force, and the Congress after studying it turned it down?

Mr. PIRIE. Yes, in the early 1960's there was a concept which Mr. McNamara explored called the fast deployment logistics ships, and there the idea was much the same as that in which our near-term prepositioning initiative reflects.

The idea was that since the heavy equipment of divisions is the major constraint on getting them where you want to use them, that you would have that heavy equipment prepositioned on fast logistics ships, and those ships could be scattered around the oceans of the world but could move rapidly to a point of crisis and there marry up with the light equipment and the personnel of their unit, become a fighting unit, and start fighting.

In the climate of the 1960's, the capability for the United States to do something like that was thought by some in Congress to be not a good thing, and therefore Congress rejected that notion.

Mr. LATTA. Comment about this article of Schlesinger's where he says:

> To date, the principal novelty of the RDF is a new headquarters. There are no additional units—simply the public earmarking of forces that previously had been quietly earmarked for possible service in the Middle East. Since these units are also earmarked for NATO reinforcement, deployment to the Middle East would effectively preclude NATO reinforcement in an emergency. Such adjustments of commitments probably are wise under current conditions. Nonetheless, one must be aware that we have here no military counterpart of the miracle of the loaves and the fishes. The RDF simply means the drawdown of forces previously assigned to other missions.

Mr. PIRIE. The Rapid Deployment Forces are earmarked indeed to NATO, but they are later deploying forces. The forces that deploy in the first 30 days are not affected by the Rapid Deployment Force.

Mr. LATTA. Actually, though, we are not building anything new. We are just setting up a new headquarters, and we are robbing Peter to pay Paul; isn't that right? We are not coming up with anything new that is outside of what we already have.

Mr. PIRIE. With the exception of new bases and new prepositioned ships and certain provisions of the additional war reserves for those forces, we are not creating additional force structure; that is true.

Mr. LATTA. When we had this aborted mission to rescue the hostages in Iran, I was quite disturbed to learn that we only had in our arsenal before the mission was started 18 SH-53 helicopters. We left 6 of them over there in Iran. That leaves 12. Can we get by with 12 of those type helicopters if we are really keyed up for whatever situation might demand in the immediate future?

Mr. PIRIE. That is not a question that falls in my bailiwick, Mr. Latta, and I will have to defer to Mr. Quetsch, if he knows the answer, or get the answer for you. It is just not my day-to-day work.

Mr. QUETSCH. They are a peculiarly configured minesweeping helicopter, and it depends on the scenario you posit. I don't think that question has been answered yet.

The CHAIRMAN. Will you yield there?

Mr. LATTA. Yes.

The CHAIRMAN. Let me clear this up, because I happen to represent the town of Stratford, Conn., which makes Sikorsky helicopters. As I understand it, you have a lot of 53 helicopters of different kinds.

Mr. PIRIE. Yes.

The CHAIRMAN. SH-53's, CH-53's, RH-53's. So they are basically the same bird. I think what you are referring to, Mr. Latta, and you correct me if I am wrong, is that these were designed to be minesweepers.

Mr. LATTA. That is right.

Mr. PIRIE. That is right.

The CHAIRMAN. Right?

Mr. QUETSCH. Right.

The CHAIRMAN. So you have many more copters of that type, but they are not configured for minesweeping.

Mr. PIRIE. Yes, sir, that is true, but it is a fair question: What are your minesweeping requirements, and do you have enough now?

The CHAIRMAN. Right.

Mr. PIRIE. And I just don't know the answer to that.

Mr. LATTA. My question is only directed to that particular type helicopter. I realize we have other helicopters and some are made in my chairman's district.

The CHAIRMAN. They are the same basic aircraft.

Mr. LATTA. Let me ask you one other question. It was reported here a couple of weeks ago that we had 6 out of 10 divisions in the United States that were rated not combat ready. Was that a true statement?

Mr. PIRIE. I think it was once again 6 out of 10 in the lowest two categories, if I am not mistaken, Charley 3 and Charley 4. As you know, division readiness details are generally classified matters. Just let me say that these ratings also relate, I think, primarily to personnel shortages. The Army, for example, in its fiscal year 1979 recruiting program, was 20,000 people short. That can't fail to have a cascading negative effect on the divisions, particularly in the United States, since the Army's priority system is to fill out the divisions that are deployed first, and take whatever shortfalls exist in those that are based in the continental United States.

That, and the shortage of noncoms, which we have talked about previously, I think are the primary factors. Another factor, which has not received much attention, is the fact that we are still in the throes of converting from a 13-division force in the Army, 13 active divisions, to 16 active divisions within the same end strength.

When we started the conversion, the end strength was on the order of 518,000. It's now on the order of 750,000; so the Army's conversion has become that much more difficult. So it is true that the readiness of the CONUS-based Army divisions is less than we would like, and we are, as I have tried to indicate in my statement, expending efforts to get the divisions up to snuff.

Mr. LATTA. Here is something that came to my attention by an inquiry from a constituent who is in the Air Corps, being reassigned to South Korea. That has been about 1 month or 6 weeks ago, and he was to be sent over there to fly a certain type aircraft

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that he had never flown before, and he was objecting to going over there because he said he was not going to go over there and fly an aircraft he had never been trained on before.

In checking it out, we find out that he had a valid reason, and in further checking we found we didn't have the money in Texas to train this individual, and it only took 6 weeks. I thought that was something that should have been corrected. Hopefully it has been corrected.

Do we have any money to retrain these people for flying a certain type aircraft, rather than to send them on a mission like that without being adequately trained?

Mr. PIRIE. Yes. I am not familiar——

Mr. LATTA. I can give you the case, the days, the places, and so forth.

Mr. PIRIE. I think one would have to look into the specifics of the case. In general, I don't see that training funds are so tight that you ought to have to do something of that kind; but, as you know, these funds, once they are allocated to the services, are chopped up in different ways, managed by different organizations and bureaus.

Some may run short while others have money, and it may be difficult to reallocate the funds to do those things. I do not believe from what I know about the general availability of training funds that a thing like that ought to be justified.

Mr. QUETSCH. If I may, there is one case. There was a period during this year when, because of the Congress' cut in transportation, and the imposition of a travel limitation that we were deferring training flying for pilots. Now, subsequently later in the fiscal year, we got relief from that limitation, but there was a period when we were, in fact, not doing training that should have been done. We have had at least two of those cases this year.

Mr. LATTA. In transportation you didn't have money to move a pilot from one place to another for training?

Mr. QUETSCH. A 6-week period like the one you were describing would have been a temporary duty type of training funded out of operations and maintenance. We had taken a severe limitation from the Congress, not from the Appropriations Committee, but through a reduction in travel on the floor of the Senate, and until we got some relief from that, we were doing such things. I don't know if that can be traced to this particular case, but it is an example of what that kind of a limitation across the board can do.

Mr. LATTA. Don't you have any way to transfer funds in a case like that?

Mr. QUETSCH. Yes, but looking at the total and trying to figure out what had the highest priorities, somebody may have—and we are told by the Air Force, for instance, that they did, in fact—defer training. Again, I am not saying that that is the answer to that problem.

Mr. LATTA. That might have been the reason. That is all, Mr. Chairman.

The CHAIRMAN. The time of the gentleman has expired. Mr. Simon.

Mr. SIMON. Yes, Mr. Chairman, if I may follow through on your question on the increase on outlays, is there any attempt to legitimately slow down outlays? Let's just say you have a contract to

build a new barracks. Then you have 90 days in which the contract is good. Do you try and hold up to that 90th day, in cases where it would not impair the ongoing defense in any way by slowing down? It just seems to me there are ways where that can be done. Are you conscious of that?

Mr. QUETSCH. We are. We have a cash management policy for the whole Government. It starts with the Treasury, which has to worry about borrowing money to pay those bills. The pressure there is not to pay any earlier than you have to.

Now, the question is when do you have to? I guess our most difficult problem is in the contract negotiation stage, where we set the schedule of payments. Again, the contractor is under pressure because of the high costs of money to get a favorable payment schedule. We are caught between those pressures. Consequently, what we say is, if a contract says that a contractor is entitled to payment on a certain day, pay him that day, but don't pay him any earlier than that.

In extraordinary circumstances, somebody might make an exception and pay him earlier, if they felt it was in the Government's interest, but if your question is, have we taken any action to reduce outlays sort of arbitrarily, beyond that kind of what I would call good management action, the answer is no.

Mr. SIMON. I guess I don't like your use of the word "arbitrarily" there, but substitute the word "prudently." What is your answer?

Mr. QUETSCH. Obviously whatever is prudent is encompassed in the Treasury directives. We try to comply with those.

Mr. SIMON. But beyond what the Treasury Department gives you by way of directive, you are conscious of the problems that we face?

Mr. QUETSCH. Oh, yes.

Mr. SIMON. And where you can legitimately postpone or delay something just a little, you are doing it?

Mr. QUETSCH. Yes. We are setting up our systems to do it. Let me say that there is a problem with setting up separate systems for every contractor, because you are dealing with largely a computerized system for paying bills, in which the date goes in the computer, the amount goes in the computer, and the computer writes the check.

To take a great many of those and massage them by hand, to ask, "Does it really have to be paid on that day? Can we change that date? Can we pay it later?" is sometimes difficult. Most of those payments are handled, or the majority of the numbers of payments are handled, by the Defense Contractor Administration Service under the Defense Logistics Agency. We work very hard with them to make sure that their procedures are appropriate, and that they work with the contracting officers in particular cases such as these.

Mr. SIMON. Your unobligated balances moved up about $5 billion since fiscal year 1975 to about $20.9 billion, which, considering inflation, I don't want to say is good, but it is not that bad, though I have to say it still concerns me. The unexpended balance has grown from about $40 billion to over $100 billion. Do these figures concern you at all?

Mr. QUETSCH. They give me a great deal of comfort, as a matter of fact.

Mr. SIMON. Are we giving you too much comfort?

Mr. QUETSCH. No, no. They comfort me in that we have a responsible fiscal policy in which Congress has put up front the money to pay the bills, and so it doesn't have hanging over its head a lot of unrecorded liability. This is basically a product of the full-funding policy of the Congress.

Mr. SIMON. Which I support and you support.

Mr. QUETSCH. That is right, and the numbers, themselves, of course, are the product of that policy applied to a growing budget where in absolute dollars most of the money is going into the slower spending applications. for instance, manpower is not going up in real terms, but procurement, whether it is in O. & M. or procurement appropriations is going up in real terms, and therefore inevitably the average dollar will spend out more slowly. Hence, it is really the result of good policies and is not costing the government a thing.

Mr. SIMON. Just this one final question. I have this concern. This $100 billion plus 20 floating out here. Are we going to be hit in fiscal year 1982 or 1983 with a huge outlay figure as a result of these figures?

Mr. QUETSCH. Those are huge figures to me. Yes, we will, but it won't be unplanned. That is the nice thing about having them recorded as balances and a system that does record them as balances. It will not surprise us.

Mr. SIMON. You don't see any surge in outlays in one of these next fiscal years, then?

Mr. QUETSCH. No, not in terms like that. There is always a potential for, let's say, in a recession, for people to put more emphasis on defense than on civilian business. Therefore, you could have an increase over your estimate, but it would be out of that total pot of unexpended balances that we are looking at, and we are keeping our eye on it.

The reason we record it is so we won't be surprised. We look at it not as just $120 billion, but as a collection of individual components trying to make sure we are not surprised.

We have instituted an outlay planning system by month and an obligation planning system by month, and they seem really to have tightened up the whole program and put more attention on the execution of the program over the past 3 years. We have been really quite pleased with that. It is not the sort of thing that gets a lot of publicity, but we feel that we have a lot more attention of a lot more people on those problems.

The CHAIRMAN. Mr. Gephardt.

Mr. GEPHARDT. I would like to address real increases. We had the President's statement of increasing in real terms about 3 percent a year. I think most people in the Congress believe that that is a commitment that we should meet.

My question is this: I know we have had reestimates in this budget already. I would like to know if you think we have met that pledge of increasing in real terms by 3 percent. I would like you to try to tell me what you think it means to increase in real terms, and how you determine that. How would you determine that from time to time, and if we are doing that, if that should result over a period of time in the improved defense that we are all seeking? I

think a lot of us believe that we have let this thing get away from us, especially after Vietnam, and we have got to get back to a strong point. I am wondering if you think that we won't do that if we are able to make real increases over a period of years?

Mr. QUETSCH. First of all, we make progress against a threat or a perceived threat. This is sort of answering your questions in reverse. One of our problems, as we have discussed recently, is the identification of a requirement for an Indian Ocean presence and a Rapid Deployment Force.

Instantly, as soon as you recognize that, you have a deficit which you didn't have before, and which doesn't exist because of the lack of past funding, so much as it exists because it was not a part of the planning.

Insofar as the way we estimate real growth, it is really quite simple. We take a given year, or a given set of years, and convert them all into 1 year, in this case 1981.

We take each component of each year and deflate it by a factor. Generally those are pay, and we have separate categories for military and civilian pay, and purchases, and within purchases now we make the distinction between pay and other.

When we give those out, we divide them up. We give different rates to different people, and that is the way we compute it.

Now, if real inflation is higher than the rate we are using or deflating, then we are overstating growth. If it is lower, we are understating growth. That is the way, mathematically, we compute it, and sometimes we find that we were wrong.

For example, in the Mid-Session Review, the administration found that it should raise its estimates, and congressional action provide for a higher pay raise. Those actions changed all the factors. Now, it remains to be seen whether we get the additional money required to maintain the growth; but that is the President's commitment.

There has been one exception to that, and that is that in the March revision, we took a $500 million real cut in program in 1980, and a $1 billion cut in 1981 and beyond. That was very explicit. That was part of the constraint in the economic package of the President. Other than that, we expect to be protected against inflationary erosion.

Now, what is real term growth? We talk 3 percent in outlays in our dialog with NATO, because the NATO countries under a parliamentary system they don't operate the way we do; they all talk outlays, so we talk outlays.

The most meaningful term, we believe, is the commitment that the Congress makes to support a program not just now but in the future. That is TOA. It is TOA which produces the large unobligated balances. In that sense, the President asked for a 5.4 percent increase in 1981 in January. The reductions I just mentioned reduced real growth to 5.2 percent in March and about 4 to 5 percent in the outyears.

Eventually, that should produce 3 percent real growth. But if somebody says we now have to have a presence in Antarctica and a presence in the South Atlantic, and everything else, you might end up with a bigger deficit, as opposed to a net gain. It is very hard to say.

Mr. GEPHARDT. And you won't know what you really have in terms of real growth until the year is over and until you really see what inflation was?

Mr. QUETSCH. That is correct.

Mr. GEPHARDT. It is all projection, and if our projection was wrong, you may wind up with no real growth.

Mr. QUETSCH. That is possible, and, in fact, it has happened. We had estimated in some past years that we would have small growth and it turned out we didn't. Under the President's program this happened in fuel, where the Mid-Session Review came too late for us to submit supplementals, and the Appropriations Committees wouldn't exactly have welcomed any at that time, thereby leaving us to use our deficiency authority. We will fund the fuel inflation and will come back next year and ask for appropriations to cover it.

Mr. GEPHARDT. Mr. Pirie, maybe you have been asked this, and if you have, then I am sorry to have repeated it. I would like your response to the Schlesinger article, where he basically seems to say that because of the way it was organized, and the lack of commitment of a lot of new money, and I think you have answered those questions already, but he made a big point of the organizational deficiencies that he perceived. How do you respond to that?

Mr. PIRIE. As I said, it puzzles me somewhat, because I don't remember anything like that having been tried in recent times; so how we can know that this effort is comparatively lacking; compared to what?

I think, on the contrary, and, as I said in my statement, we have for a long time talked in a rather general way about having a 1½ war capability. The one war has been pretty fairly defined as a U.S.-U.S.S.R.-NATO war pact war centered in Central Europe, but the half war has not been spelled out in detail.

The business of spelling it out in detail is bound, as Mr. Quetsch indicates, to raise the presumption that we then need to take care of shortfalls that we inevitably perceive, shortfalls in lift.

For example, in the Persian Gulf-Indian Ocean region, we found that we needed new capabilities to find water or to store and carry water.

I think that discovering these things is a function of getting down to really serious planning about being able to do something in that area, and that, far from indicating fundamental shortcomings, indicates a serious purpose and a dedication to achieving that capability. It is not an overnight job, but I think you have seen motion on that job.

Mr. GEPHARDT. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Rudd.

Mr. RUDD. Thank you, Mr. Chairman. I, too, thank you for calling this meeting. I think it is a needed meeting, and I appreciate you gentlemen providing the good information that you have provided for us here today.

A great deal has been said about spare parts, procurement, and I assume that you have a heavy finger in procurement in the way the needs are generated, planning it, and its taking place.

I would like to ask you if you have any problem with the Office of Management and Budget in the requests that go through, wheth-

er there are any turndowns on any kind of a major scale or not? Do you get back only part of what you really ask for, and, if so, do you have good reasons attached to it? This is a general statement, but I am interested in it. I am also curious as to how you will respond.

Mr. QUETSCH. If I can, there is a unique relationship between OMB and OSD, the Department of Defense, as a matter of fact. We do a joint review. The pattern in most other agencies which submit a budget to OMB, involves a review by the Secretary of the cabinet department, or what-have-you, by September 15, a review by OMB, an appeal process, and a final budgetary determination.

We do not really do that. We review the budget jointly with OMB. In doing the review this way we don't distinguish a reduction taken by OMB and a reduction taken by OSD. Because it is felt that defense is so important, one, and so complex, two, we feel that we just can't afford to have a cyclic submission.

Mr. RUDD. You are telling me that throughout the entire 1½ year process of planning, that it is a continuous joint operation, and that you don't have any disagreements because any that you have are settled on the spot, and so there is no overturn?

Mr. QUETSCH. I wouldn't say we don't have disagreements. The Office of Management and Budget, for instance, sits on the Defense Resources Board, which is an executive board that reviews not only the planning for defense, but the programs and the budgets for defense.

Mr. PIRIE. But we do have disagreements, and it is a fair question as to how we resolve those disagreements.

Mr. RUDD. You resolve them on the spot, as I understand it.

Mr. PIRIE. Not always. Indeed, the Office of Management and Budget conducts periodic reviews and raises issues about the size of our budget, and everybody else's budget. They do that by means of issue papers which they prepare and which they circulate to us in advance and give us plenty of opportunity to comment on. Frequently we disagree with what those issue papers say, and frequently we are able to get them to change them in form and substance, although you wouldn't want, I think, to have budget examiners around who always agreed with you.

Mr. RUDD. You have answered my question. I thank you.

Do you ever reach the point where the Secretary of Defense goes over OMB directly to the President?

Mr. PIRIE. Yes, sir. In the reviews which take place at least once a year and often twice a year, quite frequently the Secretary of Defense and the Director of the Office of Management and Budget present opposing points of view, and the President resolves those issues.

Mr. RUDD. With regard to the Rapid Deployment Force, and I know that we will be getting some testimony on that tomorrow, I am sure that you have an abiding interest in this, and probably had also a heavy finger in its planning, the concept and that sort of thing.

I tell you, frankly, that I don't understand the concept. I think I understand the concept, but I don't understand what has been done and what can be done on it. To begin with, you were talking about somewhere between 10,000 personnel and 100,000 personnel. I don't

think that any set figure has ever been put out on a Rapid Deployment Force.

I am sure it includes planning for landing craft and for fleet units, and all of this sort of thing. The thing that has always bothered me about this is that I don't understand why it was put together in the first place, when we have a U.S. Marine Corps, the mission of which is to do exactly what I am told the RDF is going to do. If you are going to fight a war, obviously you need something in terms of maybe 1 million people to really get underway.

If you are going to have a holding action to get something started, the Marine Corps is historically and extremely able, well equipped to do this.

That is my question. I just don't understand why we need this. The planning for it seems to have confused everybody, and, in the second place, it provides for an ad hoc military force, and throughout history that has never worked.

Mr. PIRIE. Well, to the extent that combined operations of Army, Navy, Air Force, and Marine Corps are ad hoc, mean we can make them work. We do and we have in the past.

As you know, the Marine Corps plays a key role in the RDF and is the front end of the presently available set of forces. Also, the reason why there is a lack of specificity perhaps about the number and the structure of the forces is that the idea is to have sets of forces that can be tailored to specific kinds of missions and contingencies, from something that would require something very small, like a battalion to something that might be on the order of several divisions.

Mr. RUDD. Isn't that the whole Marine Corps mission?

Mr. PIRIE. The mission of the Marine Corps is amphibious warfare and support of naval operations at sea bases and territories. We are also holding the Marine Corps mission in reserve for the NATO contingency in Europe, and the Marines, as I said, are part of the Rapid Deployment Force. They can operate in a number of modes, not only in amphibious landings, which I think you might have in mind, but also administrative insertion, either over the beach, by helicopters, by air, or what-have-you, just as our airborne Army mobile forces can be inserted. So it is not necessarily a Marine show, nor do the Marines, I think, have all the capability we would want to have, depending upon the kind of contingency you see and the opposition.

Mr. RUDD. I have still never heard a thing that tells me that the Marine Corps can't do that sort of a job, because they are pliable, and they have to exist, and to justify their existence have to be able to do whatever comes up that is a surprise. They are not set in cement on anything.

I still don't understand why we need an RDF when we have got one that is readymade with 200 years of history behind it, unless it is because of military service rivalries, or something like that, or one service feels that they are not being given a frontline show on something, and I can understand that, too, but I am talking about security of the country rather than satisfying the interservice rivalries.

The CHAIRMAN. That might be a good question to hold until tomorrow.

Mr. RUDD. I intend to ask it tomorrow, Mr. Chairman, but since these gentlemen have had a hand in it, I want to get their views on it.

Mr. PIRIE. I am certain General Kelley will tell you, good marine that he is, that there are things he can't do that other services can do in support of certain contingencies.

Mr. RUDD. How do you feel about it?

Mr. PIRIE. I feel also that simply having that show be a Marine show would leave out both important capabilities and possibly in some contingencies just slight forces that you would need to carry it out; so I think it is important to be able to deploy air tactical wings—F-15's, for example.

Mr. RUDD. You have had a lot of input on ad hoc forces, I know, and how do you feel about that? This RDF has to be an ad hoc force.

Mr. PIRIE. It is important since—you are right—we do have ad hoc forces, and we will have people fighting and cooperating together who do not normally operate together or in the same chain of command; it is important that General Kelley and that RDF planning echelon do their jobs properly and get the detailed planning right. That is the function that I think he will tell you about tomorrow.

I must say that in talking about the force structure, I am talking somewhat outside my expertise. My primary concern, manpower affairs and logistics matters, is to assure appropriate support for that force, so that they have enough war reserves.

Mr. RUDD. I understand that, and I simply wanted your feeling on it, because I know even though you may be on the periphery of the actual operation, you must have some feelings on it, and I gather that you favor the RDF force.

Mr. PIRIE. Yes, sir, I favor our creating and having that capability as a real capability, and I think it is important that it be a combined operations job.

Mr. RUDD. I thank you, Mr. Chairman.

The CHAIRMAN. Mr. Wirth.

Mr. WIRTH. Thank you, Mr. Chairman.

Gentlemen, I appreciate the problems that you have in trying to create a constituency for spare parts and logistics, at a time when it is a lot more attractive to create constituencies in a lot of congressional districts for subcontracts for major weapons systems, and I want to just assure you that there are a lot of us who are very concerned and have been for a long time about imbalance in where we are spending scarce public dollars.

I wanted to get into one of the major pieces of the readiness issue, which has been touched upon briefly here, the manpower issue.

You all talked about one of the major problems being the retention issue. The other issue, it seems to me, which goes hand-in-hand with retention is the recruitment issue: What kinds and quality of people are coming into the military? What is the administration's present position on the All-Volunteer Army as of September 30, 1980?

Mr. PIRIE. That is a rather broad question. Let me say that our view is that the appropriate way to recruit military people, and thus to sustain the Armed Forces, is with volunteers.

Mr. WIRTH. What is the administration's position on the All-Volunteer Army? Your position is the appropriate way to man the Army is through volunteers?

Mr. PIRIE. It is with volunteers; yes, sir.

Mr. WIRTH. If that is your position, what is your evaluation as to how viable that particular approach to manning the military is?

Mr. PIRIE. We believe that approach is viable, and that we will be able to sustain the Army of the size that we presently foresee with volunteers.

Mr. WIRTH. When we talk about sustain the size of the military with volunteers, how does that then relate to the competence factor of people coming into the military?

Mr. PIRIE. As you know, our supply of people depends on, among other things, the compensation that we are willing to offer them, their alternatives in outside markets, and so forth, so that it tends to fluctuate.

Given the compensation improvements that we have seen this year, given that we will not suffer losses in real purchasing power for either career people or entry-level people over the future, I see no reason why we should not be able to obtain adequate numbers of recruits who are qualified to be trained and to take their places in military jobs where they can perform productively.

Mr. WIRTH. Do you have hard evidence that in fact you are competing in the job market?

Mr. PIRIE. Yes. The evidence we have, which relates to market survey's elasticity factors, and things of that kind, indicates that we will be able to attract an adequate number of recruits, given the kinds of pay performance we have seen over the past year.

Mr. WIRTH. How do you broadly react to the many, many stories that have been in the press about the low level of mental capacity of many of the people going into the military, the problems of training those individuals for a highly technical military, and I think the very broad reporting on the fact that you are not getting into the Volunteer Army the kinds of people that the military really wants to have?

Mr. PIRIE. I would react by saying that it reflects a substantial misunderstanding of what, in fact, is happening. Let me say that these mental test scores, mental categories, relate back to the World War II mobilization population, that is, the 11 million men and women, officers and enlisted, who were under arms in 1944, and the test profile that we talked about, the distribution of test scores, relates back to that population, not the U.S. population as a whole then, not to the U.S. population as a whole now, but just to those 11 million men and women.

Of those 11 million, 30 percent were in category 4 or below. Nine percent were in category 5; that is a category which we do not even recruit. The forming of our test scores over the years has been meant to give us a comparable time standard; that is, the test score in 1950, and the test score in 1960, and the test score in 1970 ought to be able to be related back for purposes of comparison to that World War II population.

We are not saying that we know what share of the available youth market we are getting, because we have never done a test profile on the American youth market. All we have as a basis of comparison is World War II and that population, and that included both officers and enlisted. The current data that is being booted about doesn't include officers.

Mr. WIRTH. Should you be doing that kind of a profile on the American youth market as a whole?

Mr. PIRIE. Yes, sir, we are. We are participating with the Department of Labor on what is called a longitudinal youth survey, and have been working actively on that for about the last 9 months, and we expect results in December which will, for the first time, give us an ability to relate what we are getting to the American youth market as a whole.

Mr. WIRTH. To move from the technical to the philosophical question, how do you, in the civilian leadership of the Pentagon, justify a military force that is disproportionately black, Chicano, poor, in a society that is allegedly meant to be representative and have our institutions be representative, whether that is recruiting of women to various institutions, whether that is trying to balance out predominantly white institutions with affirmative action for blacks? It would appear that we have much of the opposite going in the military.

Mr. PIRIE. I think I will begin by stating that we do have larger numbers, relatively speaking, of minorities in the armed services than there are in the population-at-large and that the propensity to enlist, as far as we are able to determine from our market surveys, is higher among people in the lower income brackets.

Mr. WIRTH. You would appear to be saying if you don't have other opportunities available to you, we are going to let you "volunteer" for the military.

Mr. PIRIE. They do, in fact, volunteer. We have jobs, and we attract people who want jobs, and they can do those jobs. That is, I think, the important thing to point out. We have a number of screenings to insure that the people we get are people who can do the jobs.

First, there are the tests about which we have been talking. Then there is the training, both basic training and skill training. I think, as you are probably aware, we lose over 25 percent of the people that we take in through recruiting in the screening and training process, so that not everybody makes it.

Finally, when individuals get to their units, then they have to measure up in performance on the job. We lose a number of people who can't measure up there. There are, in my view, adequate safeguards to insure that the people whom we recruit, train, and put in units can do the job and do it satisfactorily.

Mr. WIRTH. But you are not concerned about the fact that frontline units in Europe, for example, are disproportionately made up of individuals from minority groups compared to the total American population, as a whole, or to the youth group, as a whole?

Mr. PIRIE. That is a consequence of policy which I believe to be fundamentally right, which is that we don't discriminate between the kinds of people who apply to us to volunteer to the forces.

Mr. WIRTH. But from my own perspective there is a fundamental societal discrimination that exists if you are white Anglo-Saxon, middle-class high school graduates and have other choices, you are going to pick those other choices, go to college and pick a technical training program; you are more likely to do that.

For example, the high school and college kids in my district, which is relatively affluent and generally has more discretionary income when compared to most areas of the country, when asked how many are going to volunteer for the military, they aren't raising their hands. They are not "volunteering." They have got other choices.

Mr. PIRIE. That is, in fact, the way the system works. I am in charge of the technical business of insuring that we have enough men of the right skills, and so forth, to execute the mission without making any judgments about——

Mr. WIRTH. Who makes those judgments? Who should be making those judgments? If you in civilian control in the military aren't making those issues and making those judgments, who does that?

Mr. PIRIE. I think that the Congress and the administration and the people-at-large do.

Mr. WIRTH. But it is extremely difficult to make those choices, if, in fact, we are continually fed the data and the numbers, and so on, which justify the All-Volunteer Army, rather than having a clear set of issues laid before the Congress which say perhaps that the All-Volunteer Army is not the kind of representive institution we would like it to be.

Mr. PIRIE. But, Mr. Wirth, it is not my issue to raise. I am saying that we are getting adequate numbers of people who can do the job.

Mr. WIRTH. I understand your numbers problem. We have gotten beyond the numbers problem. It seems to me that we have got also a problem of being as fair as possible in a democratic society, and that, as you come before us and make a presentation to the Congress, it seems to me that you not only have to go through the numbers side of the argument, but you have got to go through what is, I think, a fundamental issue in a democracy as to who is and who is not bearing the brunt of service in the military.

Mr. PIRIE. I think that is just not in my job description.

Mr. WIRTH. Should that be something that the Secretary does?

Mr. PIRIE. I think it might be something that the Secretary discusses with the President.

The CHAIRMAN. I think it might be something for the President and the Congress.

Mr. WIRTH. Where does it come from?

The other issue that is involved in this is also the broad issue of civilian control. You all are civilians on the top of the military, and one of the other checks that we have always had in this society related to the military is a manpower pool of citizen-soldiers who represent another check on the military.

I think there has been a 200-year history of this, but, again, I don't think that that falls into your bailiwick.

Let me ask one final question, if I might, Mr. Chairman. Have you done any analyses of various proposals that have been made on

the Hill for national service programs, particularly the one that has been proposed by Congressman McCloskey?

Mr. PIRIE. We have done some passing analyses and have had some discussions among ourselves and with other Government agencies about the nature of these programs. Since there are a very large number of them, and they all have different features, it is a little bit difficult to see what the effects of what you might wind up with would be.

My concern is to assure that if we have a national service system, it doesn't reduce the supply of people effectively available for military service.

Mr. WIRTH. Do you know if you have done an analysis of the McCloskey legislation?

Mr. PIRIE. We have not done a specific analysis of the McCloskey legislation against the potential markets.

Mr. WIRTH. How might we go about it?

Mr. PIRIE. The primary problem is that it is broadly enough based so that, depending upon differing assumptions about how you would do those things, you come up with very different answers.

We can do such an analysis. As you know, the Office of Management and Budget did do one which accompanied the report to the Congress on the Schroeder amendment with respect to registration earlier this year.

There is also, I believe, under active consideration, a bill by Congressman McCloskey for a national service study commission. I would think that, a fairly broadly based commission would be the one that you would want to give you the perspective of interest to the Congress.

Mr. WIRTH. I thank you very much, and I don't mean to beat up on you as an individual. I think that there are some very, very deep issues out there related to what an All-Volunteer Army is within this republic, with all of its diversity. Not only do we have to look to the technical side, which is your job, but we have a responsibility to look across the board and make sure that we are as fair to 220 million Americans as possible, and that we are upholding long traditions of civilian control. Those are issues I know you don't get into, but I appreciate your response to the technical side of it. Thank you.

Mr. PIRIE. Thank you, sir.

The CHAIRMAN. The time of the gentleman has expired. We want to thank you both, gentlemen.

Mr. Pirie, we want to thank you, and, Mr. Quetsch, we want to thank you.

Mr. Quetsch, the other day I read in the paper that you received one of the highest distinguished service awards in the civil service. As I understand it you received a $20,000 bonus. You were 1 of 49 people in the whole United States to receive this high award, and I just want to tell you we are grateful to you, and we are proud of you.

All too often the American people take for granted what the people who work for the Government do for them, and how they work hard to make this Government run. You are one of those people who does make this Government run, and I want you to know that we certainly appreciate what you do. The fact that you

are just 1 of 49 in the entire country certainly speaks for itself, and speaks well for you. We are grateful to you for the work you have done these many years.

Mr. QUETSCH. Thank you, Mr. Chairman. Coming from a fellow public servant of long standing, I particularly appreciate that.

The CHAIRMAN. Thank you. The committee is adjourned until tomorrow.

[Whereupon, at 12:10 o'clock, the committee adjourned until 10 a.m., Wednesday, October 1, 1980.]

MILITARY READINESS AND THE RAPID DEPLOYMENT JOINT TASK FORCE (RDJTF)

WEDNESDAY, OCTOBER 1, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C.

The committee met, pursuant to notice, at 10:15 a.m., in room 210, Cannon House Office Building, Hon. Robert N. Giaimo, chairman, presiding.

The CHAIRMAN. The committee will please come to order.

This morning we continue our hearings on the subject of the Rapid Deployment Force, its current status, and its cost.

Yesterday our primary emphasis was on the financial resources involved, where they would come from, to what extent the required resources would be diverted from other defense programs, and to what extent additional resources would be required. Today we will address the subject of the forces involved, what they will be composed of, and what their capabilities will be.

We hope that we will be able to get an accurate picture of what has been accomplished so far and to what extent current accomplishments meet the planning schedule which was formulated when this program was first announced.

In other words, is the Rapid Deployment Joint Task Force proceeding on schedule? If it isn't, what are the problem areas and what is the cause of delay?

To answer these questions and others, we are pleased and happy to have with us the commander of the Rapid Deployment Joint Task Force, Lt. Gen. P. X. Kelley of the U.S. Marine Corps.

General Kelley, welcome to this meeting of the Budget Committee. We are very pleased to have you with us this morning.

Let me just briefly explain why we are having these hearings now. We have been delayed this year for many reasons. Only three appropriation bills have been enacted. As a result, we are going to have to come back right after elections, on November 12, to complete very serious work of the Congress.

No. 1, we have to complete our work on the budget for 1981. No. 2, we have to complete the appropriations. It is unconscionable that almost $450 billion of the budget is going to be spent, starting this morning, on the basis of a continuing resolution. No. 3, we have to make some serious decisions in November as to the tax picture for fiscal year 1981.

While the committees that deal with taxes can wait until January, the Budget Committee must prepare a budget for fiscal year 1981 in November. We will have to make some educated estimates

of what we think the Congress and the President are going to do taxwise as we try to put together a budget.

One of the key changes that has come about since our earlier estimates this summer has been in the area of defense, and especially in the area of defense in which you are involved more than any of us.

The House will return on November 12 and our staffs have to work before that to prepare estimates on the revised budget for fiscal year 1981. Your requirements, the role of the Rapid Deployment Joint Task Force, and the mission and role of the United States in the Persian Gulf and the Indian Ocean could have great impact on our budget decisions.

Mr. Latta expressed real concern about it and was the gentleman who really insisted and asked that we have some additional testimony and information.

Mr. Latta, would you like to say something before I call on the General?

Mr. LATTA. I just want to thank the General for being here. I am certain you will be able to enlighten us a little bit on the progress of this Rapid Deployment Task Force and how soon we can expect some results.

The CHAIRMAN. With that, you can proceed. As I understand it, you do not have a prepared statement.

STATEMENT OF LT. GEN. P. X. KELLEY (USMC), COMMANDER, RAPID DEPLOYMENT JOINT TASK FORCE (RDJTF), ACCOMPANIED BY MAJ. GEN. JOHN T. CHAIN, JR., DIRECTOR OF OPERATIONS AND READINESS, HEADQUARTERS, USAF; MAJ. GEN. D'WAYNE GRAY, DIRECTOR OF OPERATIONS, HEADQUARTERS, USMC; REAR ADM. ARTHUR S. MOREAU, JR., DIRECTOR OF STRATEGY, PLANS AND POLICY, OFFICE OF THE CHIEF OF NAVAL OPERATIONS; AND COL. CRAIG H. BOICE, CHIEF OF READINESS, ARMY, OFFICE OF DEPUTY CHIEF OF OPERATIONS

General KELLEY. Yes, sir, if you will bear with me.

The CHAIRMAN. We will.

General KELLEY. Needless to say, the events of the last several weeks have occupied my time. First, I apologize for not having a prepared statement. However, I did work last night to put together some remarks that I would like to put into the record verbally, to bring you up to date on the Rapid Deployment Joint Task Force—what it is, what we are trying to do, and basically what our problems are, particularly in the area of readiness.

So, as the first Commander of the Rapid Deployment Joint Task Force, Mr. Chairman, I truly appreciate this opportunity to appear before this committee.

I do believe that the Rapid Deployment Joint Task Force is probably the most innovative and essential command structure that I have seen in my 30 years of active service. I say this because, to the best of my knowledge, it is the first time in the history of our country that we have amalgamated the combat capabilities of all four services under one headquarters in peacetime.

If you think back in history, there are certainly some cases where we have put together a headquarters that commanded and

controlled four services, but this was done normally during a conflict or just prior to a conflict.

So my job then starts with planning, goes through training, the actual exercising, deployment, and employment of forces that are designated as part of the Rapid Deployment Joint Task Force.

In this regard, I am reminded of a remark made by Lieutenant General Gavin, the former Commander of the 82d Airborne Division in his book, "On to Berlin," when he said: "Nothing chastens a planner more than the knowledge that he will have to carry out the plan."

As you may be aware, sir, the concept for the Rapid Deployment Joint Task Force had as its genesis a study conducted by DOD in 1977. This study highlighted the need for a four-service force which could deploy rapidly for contingencies other than NATO and Korea.

With the emphasis at the time being focused primarily on bolstering NATO, the creation of such a force was quite logically placed on the back burner. There is no doubt that the events during the last year or so in the Middle East have energized the system, and consequently, after a number of months of discussions between the Joint Chiefs of Staff and the Secretary of Defense, the Rapid Deployment Joint Task Force was formally activated at MacDill Air Force Base in Florida on March 1 of this year.

I might emphasize that for our normal peacetime functions the Rapid Deployment Joint Task Force is a subordinate command of the U.S. Readiness Command at Tampa, but upon deployment and actual employment of this force, I will normally report directly to the National Command Authorities via the Joint Chiefs of Staff.

I am probably the first to realize that there has been a lot of speculation concerning the size and capabilities of the Rapid Deployment Joint Task Force, and I would like to put it in some perspective.

The only new capability established is a 261-member Rapid Deployment Joint Task Force Headquarters at Tampa. The muster roll of this headquarters includes members from all four services. These 261 men and women represent a very carefully selected cross section of almost every combat, combat support, and combat service support functional area in our military establishment today.

We have experienced combat commanders, logisticians, communicators, intelligence personnel, electronic warfare experts, airlift experts, sealift experts, et cetera, and this is only the tip of the iceberg.

In short, the range of experience of this staff, I believe, is unlimited and I would be remiss if I didn't say that now that it is organized and functional, I personally consider it a national asset in terms of its ability to command and control joint or combined operations.

There have been no new forces as such that have been organized as a result of the Rapid Deployment Joint Task Force. Rather, the Joint Chiefs of Staff have designated specific forces to satisfy such requirements as I may identify.

In other words, this is a pool of forces from all four services from which I can draw for a specific contingency.

The number in this reservoir—I know that you have heard all sorts of numbers—but the total forces available to the Rapid Deployment Joint Task Force far exceeds 200,000, and I would be happy to provide more specific information if we go into closed session.

Suffice to say here, however, that I know all of the specifics of each designated unit to include its size, its combat capabilities, and its readiness.

Additionally, each service has designated a senior general or flag rank commander who functions as my interface for planning, training, and exercising.

In short, sir, everything possible has been done to obviate the "ad hocery" that we have experienced in the past during a transition from peace to war.

If and when I do go to war, I will know and will have worked with the commanders from each service, so this makes us somewhat unique.

Now that I have given you the relative size of the force, let me dwell for a few moments on our combat capabilities. From the Army, we have a wide range of capabilities. These include airborne, air assault, mechanized infantry, infantry, armor, Ranger and Special Forces. I can draw from any of those units in putting together my force.

The CHAIRMAN. Is it contemplated you could draw from Europe, from NATO?

General KELLEY. There are no forces in NATO, as such, that are on my force list, sir.

The CHAIRMAN. OK.

General KELLEY. From the Air Force, we have an extensive array, to include strategic airlift, tactical airlift, Strategic Air Command in a conventional role, plus a full panoply of aircraft types from the Tactical Air Command. From the Navy we have a significant contribution in the form of carrier battle groups, antisubmarine warfare aircraft, and amphibious shipping. From the Marine Corps we have a full Marine Amphibious Force. This is an integrated air/ground team of roughly 50,000 marines.

I think you can see from this, sir, that the Rapid Deployment Joint Task Force, contrary to some speculation, is not a paper tiger. That is not to say, however, that the Rapid Deployment Joint Task Force is without problems.

Obviously, the focus of our attention for today is on Southwest Asia, even though we are a global force, and therein lies many of our biggest problems.

By air from the east coast, Southwest Asia is over 7,000 miles. By sea, if we go via the Suez Canal, it is some 8,000 miles. If the Suez Canal is closed, our sea lines of communication are over 12,000 miles.

While we have a significant airlift capability in the Military Airlift Command, it is not sufficient to put a capital "R" in "Rapid." That is one of my primary goals.

Mr. LATTA. General, would you repeat that? I didn't get the signficance of that statement.

General KELLEY. I said the strategic airlift capability that we have today, while significant, is not sufficient to put a capital "R" in "Rapid."

The CHAIRMAN. I think we could understand that better if you told us the size of forces that we are talking about.

General KELLEY. Over 200,000.

The CHAIRMAN. That is combat troops or does it include support troops?

General KELLEY. Sir, could I reserve that for a closed session? Most of those questions I am prepared to answer; however, the answers are classified.

The CHAIRMAN. Fine. I don't want anything that is classified here.

Mr. Rudd is an old carrier fighter pilot from World War II who has great interest in this subject. I remember a good question you asked yesterday.

Mr. RUDD. I just wanted to ask one question, Mr. Chairman. Are we going into a closed session?

Thank you for the faint praise on that World War II bit.

The CHAIRMAN. If you want to.

Mr. RUDD. The only reason I ask is that the General has mentioned twice he is reserving something for a closed session. I wanted to know if this was going into a closed session.

The CHAIRMAN. Let's proceed as far as we can in open session.

General KELLEY. Some of my remarks may help clear up some of that, Mr. Chairman.

The CHAIRMAN. OK.

General KELLEY. I will go as far as I can in open session, but, needless to say, our closure times and the types of forces that I can close in those given times are classified.

I know that there are some who attempt to trade off airlift for sealift and vice versa, and to my way of thinking this is somewhat like comparing apples and oranges.

Each has its own vital place in the projection of power over vast distances. Sealift, as an example, is our heavy hauler.

In fact, we calculate that 95 percent of our heavy equipment and supplies will eventually come by sea.

Unfortunately, however, sealift is relatively slow. As an example, if a convoy transited around the cape from the east coast to Southwest Asia at 15 knots, it would require some 33 days. At 20 knots, it would be roughly 25 days. This does not include load and off-load times.

For purposes of illustration, I submit it would take from 3 to 4 weeks before any ship could be in Southwest Asia from first warning of a crisis, but, before leaving sealift, please make note of my original comment.

Once the flow by sea has begun, some 95 percent of our equipment and supplies will travel by ship; but transit, unfortunately, is measured in weeks and not hours and days.

I think from the foregoing, the initial importance of strategic airlift should be obvious. If we want to abdicate the first 3 to 4 weeks of any crisis situation and limit ourselves to delivery of combat power and support to a seaport, then we have a minimum

requirement for airlift; but no tactical commander worth his salt would accept those terms—me in particular.

Moreover, strategic airlift is absolutely essential for emergency provision of equipment and supplies.

My bottom line, Mr. Chairman, is simply that the Rapid Deployment Joint Task Force needs both sealift and airlift and in sufficient quantities to insure the rapid and continuous buildup of combat power nearly halfway around the world.

The CHAIRMAN. Are we lacking that now?

General KELLEY. Indeed we are, sir. We have, right now in the Military Airlift Command some 70 C-5's which are limited in their capability due to a wing problem which we are fixing.

We have 234 operational C-141's which we are now in the process of improving with an inflight refueling capability and also stretching the airplane some 23 feet to give it 30 percent more cargo-carrying capacity. But we still are dramatically short of airlift. Again I can give you some of the specifics in closed session on closure times of an illustrative force.

In sealift, we have allowed our sealift to dwindle over the years down to the point now where it needs urgent attention. We have several programs ongoing for that.

One is the TAK(X) that the Marine Corps is working in conjunction with the Navy. That is an essential program. We also have a surge capability we are attempting to develop through the purchase of some SL-7 ships now on the commercial market.

These are container ships, but they can go 33 knots, and, by being ultimately converted to RO-RO ships, can cut down the transit time from the United States to the Middle East. Yes, indeed, sir, we do have significant shortfalls.

The CHAIRMAN. Does the 1981 budget take cognizance of this problem?

General KELLEY. The 1981 budget, as it stands right now? If I am not mistaken, the TAK(X) was marked out by the HAC, but I believe it is still being addressed. The SL-7, I believe, was added into the budget.

As far as the Air Force programs, the CX was not fully funded. Some limited funds were given to conduct further study on the CX with the proviso that we come back, I believe, in January, with a more detailed report. A decision will be made sometime after that. The C-5 and the C-141 improvement programs are on schedule and ongoing.

The CHAIRMAN. What about the problem of prepositioning supplies on ships?

General KELLEY. The problem, sir?

The CHAIRMAN. Budgetwise.

General KELLEY. As you probably know, there were two administration initiatives in this budget that were under the aegis of rapid deployment forces—two large, programs. One, of course, was the CX aircraft. The other was the TAK(X) or the CA-8 multipurpose mobilization ship, to be used for the Marine Corps' maritime prepositioning concept.

I don't have the details as to why the HAC took its action. I do know, in my professional opinion, this is one of the most essential

programs I have seen in many years to improve in a cost-effective way our ability to deploy Marine forces.

The CHAIRMAN. Is it correct that when the 1981 budget was put together a year ago, rapid deployment was not in the forefront of the budgeters thinking?

General KELLEY. Sir, it came very late in the budget formulation process. That is correct. As a matter of fact, it was not originally in the programs submitted by the services. During the budget formulation process, the requirement became apparent. As you recall, a lot of things were happening in the world at that time. The requirement for forces to deploy rapidly became even more manifest than it had been before. The world was changing very dramatically. This fact certainly captured the focus of attention on our ability to deploy forces rapidly.

The CHAIRMAN. Can I speculate it is given a higher priority in the 1982 budget which you are working on right now?

General KELLEY. You can speculate that, sir, and I think that is a fair statement.

What the Rapid Deployment Joint Task Force has accomplished, if nothing else, is that it has identified the shortcomings that this Nation has in its ability to project power over vast distances. I am not blaming anybody for this, but I am saying that we were, and probably correctly so—we were myopic on Europe and NATO. That probably was the correct thing to do a decade or so ago when gasoline, incidentally, was roughly 35 cents a gallon.

But now we have a new and unusual challenge in the Middle East. So, therefore, we have got to look at forces that can deploy. The forces in Europe are fixed in position. There is an in-place logistics infrastructure. There are in-place communications and host nation support provided by the Germans, the Dutch, and the rest.

We have to start literally from scratch when we project power into the Southwest Asia area.

The CHAIRMAN. For decades our concentration has been on the projection of power in Europe, in NATO, and also in the Western Pacific. And we have the base structure in NATO and in the Western Pacific to project that power. But, in the Middle East and the Persian Gulf, isn't our problem one of basing?

General KELLEY. Sir, basing——

The CHAIRMAN. What are you doing to provide basing in these areas?

General KELLEY. As you know, we have consummated access agreements with Oman, Somalia, and Kenya. These bases, however, are primarily designed to support the normal day-to-day operations of the naval forces that are currently in the Indian Ocean.

The CHAIRMAN. They are not advanced bases?

General KELLEY. They are not advanced, forward bases as we would call them. We are examining various options not only in Southwest Asia, but in areas close to Southwest Asia where we could actually preposition large stockpiles of equipment and supplies.

The CHAIRMAN. You mean much closer, to the problem areas?

General KELLEY. Much closer to the problem areas. The closer you can get, sir, the better.

The CHAIRMAN. Mr. Latta.

Mr. LATTA. To bring into perspective so I understand what we are talking about, when you talk about Rapid Deployment Force, and you talk about get going, gung-ho, so on and so forth, you really are not talking about much in fiscal year 1981 because this administration only asked for $220 million to procure the first two cargo ships.

So what you are talking about out of a projected budget from 1981 to 1985 is $1.5 billion and your airlift, your CX that you are talking about, the administration asked for a puny $80 million out of a $6 billion program through 1980-85. I don't think this is much of a fast start.

I wish you well with that kind of initiative, but I don't think that is going to accomplish what you would like to accomplish, General.

General KELLEY. Sir, we are a victim of the system. Let me take shipbuilding as an example. Historically it has been proven that when you build a new class of ship—and that is really what we are doing with the TAK(X), building a new class of ship—you want to proceed slowly and get high on the learning curve before you go into full production with all 12 ships that are required. I think this is prudent and cautious, but certainly not up to the speed that I would want as the commander. But I am not in a position to criticize it either.

Mr. LATTA. Aren't you in a position to make recommendations?

General KELLEY. Yes, sir. Absolutely. My recommendation, my requirement is that I need more strategic airlift and more strategic sealift. Unfortunately, I am not a resource manager. The only funds that I have control over are those funds which I personally have to direct my own headquarters.

Mr. LATTA. The thing we are getting at, though, is that we have somewhat of a crisis over in Iran/Iraq right now. We are getting a lot of publicity about this Rapid Deployment Force. We want to know how rapid it is. We talk about equipment. In the budget there is $100 million for equipment in 1985. That is not much of a start.

General KELLEY. We are still on a learning curve, Mr. Latta. That is one of the points I was going to make later. There are a lot of things that the services have done that won't appear as obviously as I would like to see them in the budget. It has been the policy of all the services, to man and support their forward deployed forces at as close to 100 percent combat ready as humanly possible. In doing this, however, it leaves great voids and gaps in our CONUS-based forces.

Now, we have added another problem. We have asked the Army to upgrade its Rapid Deployment Joint Task Force units and they are doing that.

They have placed these Army units in a higher priority on the Department of the Army master priority list, but when you do that then some other unit goes off the top and back to the bottom.

The same way with the U.S. Air Force. They have made an extraordinary move to upgrade the Rapid Deployment Joint Task Force to unit readiness.

They have, as an example, fleshed out personnel for all the units, squadrons, and wings that are designated. They have also reallocat-

ed war reserve spare kits. But this came at some cost to the Air Force. It came out of their hide, so it means that some other units will not have these personnel or those war reserve spare kits.

The Marine Corps was required to take a full brigade's worth of equipment out of its existing war reserves to put on seven ships that are currently in the lagoon at Diego Garcia.

Likewise, the U.S. Navy has been operating at an exceedingly high tempo of operations in the Indian Ocean and manning those ships at this operating tempo has cost them also.

All of the services have paid for their place at the table with the Rapid Deployment Joint Task Force.

This involves not only procurement dollars; it involves a lot of O. & M. dollars, and in some cases even giving up manpower out of their hide.

So what I am saying, sir, is that there are a lot of costs that may not be identified as clearly as I would like to see them identified.

Mr. LATTA. If I may, Mr. Chairman. You are touching on something that was brought out by Jim Schlesinger in an article that appeared on September 24 this year in the Washington Post where he says:

> A major element in the RDF is a Marine component, constrained by amphibious lift with limitations to the equivalent of one division. These forces are, to say the least, ill-equipped for combat with hostile tank forces. Marine forces have been especially hard hit by the severe budget cutbacks of recent years. Using fiscal year 1978 as a standard, constant dollar appropriation requests for Marine land forces declined by 26 percent in fiscal year 1979, and by 45 percent in fiscal year 1980. Fiscal year 1981 has apparently been a banner year in that the decline below the fiscal year 1978 level is only 26 percent.

I think if the figures that the former Secretary uses are correct, you have a bad situation there.

When you take something out of the Marine Corps to use in this Rapid Deployment Force, what are you going to do to make it up?

General KELLEY. As far as the near-term prepositioning ships and the 7th Brigade's equipment which is on these ships, there are no funds to make up those shortfalls.

For the longer term maritime prepositioning concept, there are funds in the 5-year defense program which will accommodate the equipment that the Marine Corps will be asked to put on those ships.

Secretary Schlesinger's figures—while I can't validate them down to the penny—in terms of trends are certainly accurate.

I was the Marine Corps' programmer for 2 years before I assumed this position, and the Marine Corps was losing, on an average, some $200 million per year in real program value for fiscal years 1978, 1979, and 1980 due to inflation. We were on a steady decline.

Mr. NELSON. General, you mentioned Somalia, Kenya, and Oman. Consistently, President Sadat has offered facilities in Egypt. Under the peace treaty there is to be the shift of the airfields into Egypt in the Sinai. Is that a possibility? Is that close enough? Or is that something that should be discussed in closed session?

General KELLEY. We have looked at the airfields in the Sinai. We have looked at every conceivable option in Southwest Asia in terms of basing.

Right now, because of overflight and other problem areas associated with those particular airfields, they are not our most attractive option.

Whenever you select any sort of a base, you have to consider all of the things that you want out of that base and, of course—proximity, access, overflight—those are the kinds of things that one would consider.

The CHAIRMAN. If the gentleman would yield. What if the diplomatic problems could be resolved?

General KELLEY. If they could be resolved and that was in fact the best option, I would certainly have no objection to that at all.

The CHAIRMAN. I see.

Mr. NELSON. Primarily we are talking about overflight of Saudi Arabia?

General KELLEY. Overflight of the other countries.

Mr. NELSON. Well, there is nothing there except the Red Sea.

General KELLEY. Depends on which direction you are going. I am going in an easterly direction.

Mr. NELSON. OK. Thank you, Mr. Chairman.

The CHAIRMAN. Why do we need new force designations and increased command structures and other additional cost items for the RDF when defense plans have long been based on the concept that massive deployment could and would be made on short notice when needed?

Let me put it another way. There are a lot of people in Congress that say when you have a problem of this kind, isn't that why we have the Navy and the Marines?

General KELLEY. That is an incriminating question, Mr. Chairman.

The CHAIRMAN. Why do we need an RDF?

Mr. CONABLE. Why don't you ask the White House about that?

The CHAIRMAN. Let's not get political, Mr. Conable.

General KELLEY. Mr. Chairman, I have been asked that question a number of times. In fact, the last time was—Senator Glenn asked a similar question.

With my ecumenical hat on, I have to say in all honesty that there are many contingencies where I can envision the utilization, exclusively, of a Navy/Marine Corps team. There are contingencies, likewise, where I can envision a contingency involving an Army/Air Force team.

If you look at the force list that I have available in the Rapid Deployment Joint Task Force, it far exceeds the capabilities of any one service.

The CHAIRMAN. Why? What is your mission? What is your purpose?

General KELLEY. My mission includes any contingency outside of NATO. We are focused primarily for the near term on Southwest Asia, and that includes any contingency there, sir.

We are not a Third World intervention force. We are a force to contend with anything up to and including the Soviet Union outside of NATO.

The CHAIRMAN. That is why you need larger forces?

General KELLEY. That certainly captures my attention, sir.

The CHAIRMAN. Mr. Latta.

Mr. LATTA. General, you made a statement to the effect that what you are doing now is not sufficient to put a capital "R" in rapid deployment force. I ask you since this concept came into being in March of this year—and here we are October 1—why haven't we been doing anything about it?

General KELLEY. Well, we have, sir. Let me tell you what I have done.

First of all, we pushed hard and we helped develop and bring to fruition, the concept of the near-term prepositioning ships in Diego Garcia.

Second, and I think probably one of the most important things we did was to direct our components to reexamine all of their items of equipment and supplies that will be lifted by strategic airlift, and to cut out anything in the initial flow that would not "move, shoot, or communicate." I promise you that all of the ice-making machines and other creature comforts that one might have expected are not in the flow. So, we have optimized what is available in our strategic airlift.

Mr. LATTA. You mentioned the positioning of these ships. Couldn't the Navy have done this without the Rapid Deployment Force?

General KELLEY. Well, I think they certainly could have, sir. I wouldn't want to suggest that they are exclusive to the Rapid Deployment Force. They could be used for any contigency.

Mr. LATTA. Let me ask you about this, then. Did you give the order to position those ships?

General KELLEY. No, sir, but I was an active participant in the decisionmaking process and also in deciding what equipment went aboard those ships.

Mr. LATTA. Let me ask you this: I just read in the paper in the last couple of days about the United States sending four AWACS over to Saudi Arabia. Is this part of your force? Were you consulted?

General KELLEY. Sir, I was involved in the whole decisionmaking process, but there are not at this particular time a part of my force. They would only be a part of my force when they are assigned to the Rapid Deployment Joint Task Force.

However, for your general information, I do have a large detachment of AWACS aircraft that are a part of the Rapid Deployment Joint Task Force.

Mr. LATTA. Speaking about your organization now, as I understand what you said, there are no new forces. Now, do you have any other than 261 men and women in Florida physically under your control at this time? Or would you have, if you were going to organize, to go to the Army and get X number of personnel and in the Navy X numbers?

General KELLEY. Yes, sir, but it is not that complicated. I have, as I mentioned—I would like to stress this—I have an interface with an Army, Air Force, Navy, and Marine commander, and so I know what those forces are.

Of course, there is some flexibility in Navy because Navy forces are already in the Indian Ocean. They do rotate from day to day. The Navy couldn't tell me nor should they, the specific name and hull number of a ship that will be in support of the Rapid Deploy-

ment Joint Task Force. The fact remains there will be carrier battle groups whatever ones happen to be in the geographical area and available.

Likewise, with the Marine Corps, since we do have forward-deployed units that are in a constant rotational pattern, we don't ask them to have a particular flag. There is a flag rank officer or general officer in all four services that I interface with on a day-to-day basis.

So I don't go out begging, as some have indicated—I don't go out begging for forces. I know who those forces are. In the normal sequence of events, Congressman Latta—and we are in the process of doing this now—we will develop an operation order.

In that operation order, working with the services, we will validate a requirement for the size and composition of the force structure. That will be approved ultimately by the Joint Chiefs of Staff.

The ones that are approved by the Joint Chiefs of Staff are a firm commitment that I have from the services for those forces. All I have to do subsequent to that is send one telegram for execution.

Mr. LATTA. Do you have anything to do with their training?

General KELLEY. Yes, sir. Not unit training and not at the lower echelons. That still remains a service chief's responsibility. However, for unique environmental or joint training, I certainly have a say. That is part of the charter that the Joint Chiefs of Staff have given me. They have given me also the charter to monitor—not influence directly because that again is a service chief's responsibility—but to monitor readiness which includes unit readiness.

Of course, implicit in that statement is the fact that I can go back to the Joint Chiefs of Staff if I am unhappy with the readiness of any particular unit or service.

Mr. LATTA. Coming back to my former question, from a physical standpoint, you only have 261 employees in force at this particular time under your command. You envision enlarging this force in Florida?

General KELLEY. Oh, yes, but that would be in a relative sense a very small enlargement. We have found as we go up the learning curve, that we are woefully inadequate in numbers of planners. We have taken over a huge planning responsibility, and we were originally organized as an operational headquarters; but, yes, we are talking now in terms of 50 to 100 people. We are not talking in terms of large numbers.

Mr. LATTA. You say you are strictly an operational headquarters?

General KELLEY. Yes, sir; maybe that is one of the misunderstandings. I command the Rapid Deployment Joint Task Force Headquarters. Now, when we have a crisis, the forces are then assigned to me, but in normal peacetime operation, they belong to another commander. As an example, the Army and Air Force units belong to a unified commander, USCINCRED. The Navy and Marine forces belong to either CINCLANT or CINCPAC.

But, I want to emphasize that once my operation order is approved by the Joint Chiefs of Staff, and then they give me the order to execute, all of those commanders in chief have a requirement to provide me with those forces, and they, in fact, become supporting commanders to me.

Mr. LATTA. So what you are saying in reality is we are not talking, when we talk about rapid deployment forces, something new, new forces of 200,000. We are talking about a new organization to get 200,000 people who are out there right now or will be in the future in these other services.

General KELLEY. Yes, sir.

Mr. LATTA. Together, to accomplish a certain mission; would that be a fair statement?

General KELLEY. That is a fair statement, sir.

Mr. LATTA. That is all, Mr. Chairman.

The CHAIRMAN. Isn't that the thrust of the Schlesinger criticism that was in the Washington Post? The thrust of the criticism that I read seemed to be that there is nothing new in the RDF.

As I understand it, there is not supposed to be anything new such as additional divisions, additional carriers, and additional squadrons.

General KELLEY. Sir, there is no new combat power.

The CHAIRMAN. Right.

General KELLEY. Associated.

The CHAIRMAN. You are going to draw from existing divisions, from existing carriers, and from existing air forces?

General KELLEY. However, I do submit, sir, that the whole can be greater than the sum of the parts, and I submit that a headquarters that is properly orchestrated, that can capitalize on a synergistic effect by pulling all four services and their combat capabilities together in a well-orchestrated way, can actually perform a vital service, and that, in essence, is what the Rapid Deployment Joint Task Force Headquarters is doing. We are taking the four service capabilities and amalgamated those, hopefully, into a synergistic team.

The CHAIRMAN. Didn't this kind of planning go on anyway before the RDF came into existence?

General KELLEY. Not a four-service headquarters, sir, full responsibility from planning through execution.

The CHAIRMAN. You have an integrated headquarters, such as CINCPAC?

General KELLEY. That is not a deployable headquarters, sir.

The CHAIRMAN. But doen't CINCPAC do planning?

General KELLEY. He has a lot of planning responsibilities.

The CHAIRMAN. Is Southwest Asia within the jurisdiction of CINCPAC?

General KELLEY. No, sir; the Indian Ocean.

The CHAIRMAN. The Indian Ocean.

General KELLEY. And, as you start to proceed over through Pakistan-India, he has that geographical area, but EUCOM, the European Command, has the rest of that area.

The CHAIRMAN. What does EUCOM have?

General KELLEY. The bulk of Southwest Asia.

The CHAIRMAN. The bulk of it?

General KELLEY. Yes, sir.

The CHAIRMAN. And this kind of planning did not go on before?

General KELLEY. Oh, yes, indeed it did, but it was more generalized, conceptual planning. I am getting down into the nitty-gritty of who goes on what airplane and where he goes, and this is very

fine-tuned planning, which really has never been done at this level of detail, to the best of my knowledge, before.

The CHAIRMAN. What did you tell us about where your resources are going to come from? Are they going to come from existing defense assets, or are additional assets going to be required? How do you plan to get them? How much are we talking about?

General KELLEY. There are two big items, I think, that we refer to when we talk about new resources, and, of course, those are the two I mentioned, the CX and the maritime prepositioning ships, the TAK(X).

I have to say in all candor that if the Rapid Deployment Joint Task Force had never been organized, that this country still has a valid requirement for more airlift and more sealift; so I don't think that the total costs should be put on the RDJTF tab, so to speak.

These are national assets, and are required irrespective of whether I ever had a command in Florida or not. I think we have allowed these things to deteriorate over the years, and what we are seeing, Mr. Chairman, is a closer examination that all of the services have now made of their ability to deploy and their ability to operate in Southeast Asia, which includes some of the most forbidding terrain in the world.

The Army, as an example, has a very extensive study going on to look at how we get water, because water is going to be critical commodity, and water is not, as you well know, in rich abundance in the Middle East.

These are the kinds of unique problems we are surfacing, and, as time goes on, a lot of the equipment will be in our budget. We are going to have to identify them a little more carefully, and I think the Department of Defense is doing that right now. They are looking at how they might do some reshuffling within the fiscal year 1981 budget, to see if there are some possible tradeoffs for things that aren't as essential as things that I have identified as being essential.

The CHAIRMAN. Mr. Latta.

Mr. LATTA. Do you have any idea on a time frame as to when you will be fully augmented, in case you might need your Rapid Deployment Force?

General KELLEY. Sir, I have a capability. It depends on the level of effort that one would postulate. I have a capability to go to war today.

Mr. LATTA. Let's look at it. Present airlift capabilities rest on a fleet of 77 C-5-A's, 271 C-141's, and 250 passengers, and 123 cargo airlift and the civil reserve air fleet.

The present C-5-A's presently have a limited service life, because of structural weakness in the wings. Present sealift capability include 63 Active and 3 Naval Reserve Force amphibious shifts for the Marine amphibious lift, and 279 dry cargo ships in the U.S. merchant fleet, 207 of which are available on a national emergency and sealift readiness program.

For a perspective on the required mobility of a quick strike force, it would take 130 round trips by 14 C-5's, 102 C-141's, and 14 wide-bodied civilian transport planes to fly one brigade, 16,500 marines. The DOD budget report for fiscal year 1981 states:

Although we can airlift a brigade size force to the scene of a minor, a minor contingency very quickly, that force would be relatively lightly armed. Moving a Marine amphibious brigade with a substantial mechanized or armored element requiring supporting forces, ammunition supplies to distant locales would occupy most of our organic DOD airlift force for a considerable time, even assuming that adequate enroute basing and overnight routes were available. Thus, in order to augment present lift capability the administration proposal calls for sealift enhancement, 14 Marine prepositioning ships, the roll-on/roll-off type designated TAK(X). Currently ships are to be 600 to 700 feet long built in commercial yards at a cost of $110 million each, and designed to carry the climatized storage, heavy equipment supplies and so forth. Airlift enhancement would be by 50 large cargo CX aircraft yet to be designed are to be built at an estimated cost of $55 million to $70 million each.

You are saying that you are ready to go, in view of this report?

General KELLEY. I caveated that, sir, with: It depends on the level of effort that one is talking about.

Mr. LATTA. You are talking about minor. You are talking about 200,000 people here being available as a rapid deployment force, and I am talking about putting those 200,000 people someplace in the world. You can classify that minor or major, but 200,000 people we are talking about. Are you capable of doing that tomorrow, or next week, or next year?

General KELLEY. Sir, I am capable of starting the flow tomorrow. The problem is with those figures that you have illuminated in terms of strategic airlift and strategic sealift, the problem is how fast can you close the entire force, and how much time you have.

If you take advantage of warning time, which we normally have in any crisis situation and close the force, then I can put a very credible force in there in relatively short order. If we don't take advantage of warning time, then admittedly we have a huge problem.

People, sir, are not hard to move. We can move people all sorts of people in any given day. The problem is moving equipment, heavy equipment and supplies, and we can do that in two ways, airlift or sealift.

To give a gee-whiz figure, one C-4 hull loaded with ammunition, which is high density cargo, equals 500 C-141 sorties, but the problem is I have got to wait for the C-4 to get there, because it is slower; and I may need that ammunition tomorrow. So people, in themselves, are not the problem. It is the requirement to move equipment and supplies that gives me the headache.

Mr. LATTA. This present ability that you are talking about, wouldn't that undermine your ability to airlift to Europe or Asia?

General KELLEY. Indeed it would. Simultaneity is one of my biggest concerns. If you flow the Rapid Deployment Joint Task Force to Southwest Asia by airlift, that is about all you are going to do—ergo a requirement for additional aircraft.

Mr. MINETA. Will the gentleman yield?

Mr. LATTA. I will be happy to yield.

Mr. MINETA. I wonder if I might followup our colleague's question in trying to determine the purpose of the RDF? Is this really for, let's say, brushfire situations, let's say a Yemen, Saudi Arabia, Iran, Iraq, or Soviet intervention?

General KELLEY. Sir, all of the above.

Mr. MINETA. Given the nature of that, whether it is brushfire or Soviet intervention, then it seems to me you get into light armored

vehicles or heavy, again, the makeup of the force to meet whatever that situation is.

Going back to the original question about the capability, lift capability, in trying to determine what that spectrum of activity might be, you are saying you are able to respond in that full spectrum. It may take you a little longer in another instance, or are you saying we can do the brushfire light-armored-vehicle kind of response right away, very quickly, and not have the capability for, let's say, the heavier? Well, it is axiomatic that the more you lift, the longer it takes, and that is kind of a simple equation.

General KELLY. If you are talking about a brushfire, we have the capability with a small package right now of moving out in literally a matter of hours. The RDJTF Headquarters is a no-notice headquarters, and that means that I have 50 or more people running around Tampa with beepers on their belts, and with packs packed in a hangar—they are ready to deploy on very short notice.

Now, that is for a smaller contingency, or the advanced echelon of a large contingency. Needless to say, the size force and the time to flow the force will depend upon the particular contingency at hand. The toughest contingency, and the one that certainly has captured my attention needless to say, is the last one that you suggested, and that is the direct confrontation with the Soviet Union. That, indeed, is one of the contingencies that we are looking at.

Mr. MINETA. And to what extent are you able to respond to that?

General KELLEY. In what context?

Mr. MINETA. In force time or deployment.

General KELLEY. I would have to defer that to closed session, sir.

Mr. MINETA. Thank you.

Mr. LATTA. General, let me conclude by saying that hopefully between now and the time we come back here, not in November, but maybe in January when we get the resubmission or an additional submission from the administration, that you will be able to convince the powers that be in the Pentagon and the administration that you need more for fiscal year 1981 if this Rapid Deployment Force is really going to mean anything, in my humble judgment.

As I pointed out earlier, when they put in the $220 million for sealift capability in 1981, projected into 1985 at $1.5 billion, that is peanuts. Airlift capability, $80 million in fiscal year 1981 for the CX with total costs projected into 1985 amounting to $6 billion, and equipment of only $100 million in fiscal year 1981 projected into 1985 at a total cost of $1.5 billion, that is peanuts.

We ought to do something and do it now. I have been for a strong national defense ever since I have been in the Congress, and certainly on this committee we have been advocating we do more, and I think it has been pointed out here by your testimony—and I want to commend you for it—that you need some help and the United States needs some help.

General KELLEY. Mr. Latta, I truly thank you for that comment, because you put your finger right on the true heart of the problem. I promise you, sir, I am not a shrinking violet, and my superiors will know what my requirements are.

Mr. LATTA. I think that you are not a shrinking violet, either, and I commend you, and I commend the administration for appointing you, because I think it made a good appointment.

General KELLEY. Thank you, sir.

The CHAIRMAN. Mr. Panetta.

Mr. PANETTA. Thank you, Mr. Chairman.

Let me ask you, General, from a budget and military policy point of view, about one of the concerns I have. It seems to me that our units, in general, particularly Marine units and others, ought to be trained and ready for rapid deployment. That ought to be an inherent quality of the force that we are training.

One of the dangers I see in a rapid deployment force is that what it will do is drain supplies and equipment from other units, and then become kind of the central focus, when we ought to be dispersing or at least targeting this kind of capability among a number of other units. Could you just comment on that?

General KELLEY. Again, a point well taken, sir. What we have done is to be guilty of robbing Peter to pay Paul, and that leaves a very hollow shell in those units that remain. I am not trying to put the blame on anyone, believe me, but we have allowed O. & M. dollars over the years to somehow slip through our fingers. Please don't misunderstand my statement. It is not meant for the Congress or the administration, or anybody, but O. & M. dollars do not have a constituency, so, therefore, they have always been vulnerable.

What we need now is to establish a well thought-out methodical plan which provides real program growth.

Unfortunately, inflation has eaten us alive. The inflation indices, and again I am not criticizing, are based primarily on the Consumer Price Index, when, in fact, if one looks at the Producer Price Index, you see by commodities what the inflation has done to the military—it is depressing.

We need, after looking and assessing real-world inflation factors, a number of years of real program growth to get well. We have been allowed over the decades to get sick.

Another "gee-whiz" figure—when I was the Marine Corps' programmer, I took a look at the end strength of the services. We have three things that we buy, as you know, in the military. We buy people; we buy O. & M. or readiness; and we buy things.

Since 1964—if that is a good year, but I selected it only because it was the last year we did not have major perturbations that resulted from Vietnam or post-Vietnam—the end strength of the Army has gone down 202,000; the Navy, 140,000; the Air Force, 298,000. Fortunately, the Marine Corps made a conscious decision to keep its end strength, because they are manpower-intensive, and there is nothing that a marine hates more than giving up a fellow marine. So, the Marine Corps has kept fairly constant in its end strength since 1964.

Mr. PANETTA. I guess what I would like to see from the administration or the Pentagon is not simply targeting on a high visibility Rapid Deployment Force, which obviously then will draw resources not only from the Congress, but also internally, I think, within the system. it will just tend to draw those resources from other units,

and what we will wind up doing is eroding whatever capability they may have.

I think what I would like to see is a kind of stepped approach that involves targeting all units in terms of this kind of capability. It happens. I have seen it happen in the military and elsewhere, that once you create something that has a little sex appeal to it, that is what the public is looking at. That is what people pay attention to, and you begin to lose sight of these other units that really should have the same kind of capability.

Let me ask, you are essentially at this point, I think, a headquarters operation. Do you have, in terms of the units under your command, any control over training, or is that the local commander's responsibility?

General KELLEY. Each component commander runs his own training, because that is a component commander's responsibility. As an example, our Army component commander is the CG of the 18th Airborne Corps, and he trains that corps. However, I have been directed by the Joint Chiefs of Staff to be responsible for joint training. I consider that charter to include those training aspects that would be unique to RDJTF operations or unique to a particular geographical area that I want them to focus on; so, yes, I have that kind of authority. My charter includes five functions, sir, which I will just go over quickly.

One is, I plan for the employment of the forces. I am also charged with the joint training. That is not the low-level individual or unit training. That is joint training. I am charged with the exercising of the force; in other words, bringing them together at various levels and exercising them, and we have done this. I am charged with the actual deployment of the force. And, finally, the employment.

Mr. PANETTA. Do you have to go through, when you are concerned about training qualifications of that particular unit, do you have to go through that particular command structure in order to get down to that unit?

General KELLEY. Oh, yes; absolutely. It would go directly from me to the component commander.

Mr. PANETTA. Thank you.

The CHAIRMAN. Mr. Rudd.

Mr. RUDD. I thank the Chairman.

I certainly thank you, General Kelley, for being here with us this morning. You mentioned ecumenical hats that you have. I appreciate that, and I understand that you are going to have to be walking on eggshells, which may make you uncomfortable, but there is no question in my mind but what you can do a good job of it, an outstanding job of that, as well as everything else you are charged with.

You also indicated that you had resolved some ad hocery problems, and I will tell you that from the information available to me, it is difficult for me to understand, and I am not asking you for a comment on this, why your force is needed. What is the total complement of the Marine Corps today?

General KELLEY. The Marine Corps' authorized end strength this year, sir, is 188,000.

Mr. RUDD. Good. And I can understand with regard to ad hocery how general rank officers need to communicate with each other among the services, in order to go into combat and to fight limited engagements in defense and full-scale wars, but it is difficult for me to understand how a marine could take an order from a rated person or a ranked person not in the Marine Corps, if he were a marine, and vice versa.

In the Air Force, the Navy, the Coast Guard, or anything else, and this is the kind of ad hocery I am talking about, and I will cite one example, again from the information available to me, that at least in my opinion one of the real reasons for the failure of the rescue mission recently, last spring, in Iran, was because it was an ad hoc force, and people are not used to taking instructions, orders, or be under discipline in a situation like that, and I think that that was one of the reasons for the failure, because it was put together in an ad hoc fashion, and not only were they not taking orders apparently from their military superiors, they were taking orders from civilians, which is completely foreign to any military operation by anybody's standards, including my limited knowledge of such standards.

What I am saying is that you are talking about a 200,000-man operating force still on paper, but the real mission of the Marine Corps, again in my understanding, is to do exactly what you are trying to do. I know you can't comment on that, because you are in charge of this force, and it has been for 200 years.

The fact that you have 188,000-man force, which would certainly carry out its mission on any size of deployment force mission from the rescue mission last spring to anything else up to a full-scale war, obviously would have to be coordinated with the other services, but the Marine Corps should take the spearhead of that. This is one reason why I can't understand why this force is going to be put together.

I haven't heard it justified yet—yesterday or today—as to why that should take place. Maybe you can justify it, and I am sure you can, and I would like to have a comment on that, if I may, in the way of justification.

General KELLEY. Sir, last year at this time, if you had said to any military man sitting here or anywhere in the world, "We now have a crisis that just has developed in the Southwest Asia-Middle East area, tell me who is going to command and control the four service elements that will be required," you would have drawn a complete blank, because we had no such force in being. We had no headquarters. It would have been an ad hoc headquarters put together by people who came from hither and yon, who had never worked together, and who were sent overseas and met each other literally on what could be a battlefield. I think that circumstance is absolutely criminal.

I invite anyone, and I have invited members of the press, and I would invite Members of the Congress, to come down to Tampa, and to see our headquarters, and I think that it would dispel any notion that you would have that at least in that environment that the four services cannot get along. I am very proud of that staff. I am very proud of that headquarters.

Mr. RUDD. May I interrupt just one second, General?

General KELLEY. Yes, sir.

Mr. RUDD. There is no question in my mind but what the four services can always get along. What I am saying is that your force, to my way of view, anyway, is a complete duplication of what the Marine Corps mission is. The Marine Corps is going to get along if they are under command and given instructions for a mission; they are going to carry it out; and they will carry it out to the last drop of blood, and they will get along with the other services in order to do it; and they are equipped to do everything that you are going to be doing. Otherwise, why have them? Is this an attempt to wipe out the Marine Corps for this mission, or is this really needed?

General KELLEY. I would almost say to the contrary, I think that, as I see the Marine Corps role in the RDJTF, as you have correctly stated, sir, it is a vital role. However, it cannot be exclusive to the Marine Corps. The Marine Corps, while it has 188,000, I believe the operating forces are roughly 100,000.

First of all, we need a Navy to support the Marine Corps. That has been traditional, so we will start with the building block principle, and we will say we have the Navy-Marine Corps team, because without the Navy, the Marine Corps has somewhat of a hollow ring. We can't get there. We can't be supported—so that is the team.

Now, I have got other capabilities that I must have on that battlefield. The Middle East could be an armor-intensive, or will be an armor-intensive battlefield. The Marine Corps does not have large armored formations.

Mr. RUDD. That is the point. The Marine Corps is in a position to call on these other services to carry out a mission if that particular area is needed, and they would do so, and it would be forthcoming without any complaint at all.

General KELLEY. Well, sir, I think you have to still have a headquarters in peacetime that does all of this, pulls all of this together, and I honestly believe if you were expecting the peacetime cooperation of the services, you can't have one particular service in charge. You just won't get that kind of cooperation.

Mr. RUDD. I have a number of questions, Mr. Chairman, that I am going to submit in writing, so that I can save a little time. I have one other question that is a little bit on the periphery, but it disturbs me a little bit.

I know we are not going into secret session, and I am not going to get involved in anything like that, but something over 2 years ago Gen. George Keegan, who was head of intelligence for the Air Force, retired and wrote an angry article for one of the Air Force magazines, indicating that the Soviets were far ahead of us and advanced, and this has been given wide publicity in laser and particle beam warfare.

I became very interested in that because it was shocking and frightening, and I did a little background, but what really shocked me was night before last, I walked into my apartment and flipped on the 11 o'clock news, and I saw a film which, in my opinion, should have been highly classified of this type of operation—destroying a drome, an airdrome. I assume that you are going to have all sorts of sophisticated equipment, materiel and everything that

you need to carry out your mission, but I would like to know whether you have a comment on that or not?

General KELLEY. Indeed I do, sir. You have just massaged a very tender nerve, and it cuts much deeper than just particle beams and lasers, and those things. The United States of America does not have a squad automatic weapon. Right now, operational in the Soviet Naval Infantry are 60 air cushion vehicles. We have yet to field anything but an experimental vehicle down in Panama City, Fla., so indeed I have my frustrations. They have just fielded probably one of the most modern and capable amphibious ships in the world today, the *Ivan Rogof,* which is floating around the Indian Ocean.

Mr. RUDD. The thrust of my question is not only that, but here is something that I know was highly classified, and the next thing I know, I see it on CBS news.

General KELLEY. Sir, nothing ceases to amaze me any more. The deliberations when we were first talking about the AWACS were so sensitive in the morning—and in the evening I saw it on television; so within 12 hours it went from supersensitive to unclassified.

Mr. RUDD. How does that happen?

General KELLEY. Sir, I am not the master of my fate when it comes to that. It is reprehensible in many cases.

Mr. RUDD. I thank the General.

The CHAIRMAN. Mr. Mineta.

Mr. MINETA. Thank you, Mr. Chairman. General Kelley, I really want to thank you for the job you are doing, as well as the difficult circumstances under which you are having to operate. I am just wondering in terms of, let's say, the kinds of issues that are critical to your carrying out your mission in terms of lift capability—whether it is airlift, sealift, prepositioning of the supplies, the unit structure, command control, or a number of other things—what do you consider the most critical of the kinds of things that you have to look at and be able to have at your fingertips ready to do something?

General KELLEY. Today—and don't misunderstand the statement, because I don't mean to infer that I have no others—but today my most critical shortfall is in the area of C^3—command and control—the personnel and communications equipment that I feel I need to do the job. Now, with that said, I must also add the caveat that there are literally dozens, if not hundreds, of people working on the problem—it is not a simple problem; it involves a wide range of communication capabilities, satellite, terrestrial, you name it, and we have a requirement to do it, and communicate with all sorts of people.

We are looking for a short-term fix. There are two fixes, the other is long term, which requires the procurement of equipment.

Mr. MINETA. For compatibility purposes?

General KELLEY. Compatibility purposes; yes, sir, and that is one of our problems, also, compatibility.

Mr. MINETA. Do you think C^3 buy is critical?

General KELLEY. C^3 is my long pole in the tent; absolutely.

Mr. MINETA. And the solutions to the problems in C^3 buy are personnel or money for equipment?

General KELLEY. Both, sir. There is an interim solution where I have to literally go out and steal from the services to provide me with their organic equipment—which is not in any large abundance—and their organic personnel, to support me. That is the interim solution, today's solution.

Mr. MINETA. I am on the Intelligence Committee here in the House. To what extent, then, do you have first crack at some of those resources that would be available?

General KELLEY. Yes, sir, that will be part of the condition. In other words, if the RDJTF headquarters deploys those personnel and those pieces of equipment we will deploy with us, that will be part of the program, but then the longer term solution is actually going out and buying the new equipment, but we all have problems in this communication area, and every day there is a new problem that seems to surface.

As an example, TRITAC was supposed to be the answer, where all of the three services got together in terms of tactical communication, but each service, because of their budget priorities, has a different schedule for the introduction of equipment, so the conversion from current-day capabilities to the TRITAC equipment is going to take a number of years, because of interoperability.

Mr. MINETA. What can you do to, let's say, speed up that IOC, when it will be online for you?

General KELLEY. Right now, sir, what I have done, if the message has left our headquarters, I have written a fairly straightforward message on just the problems that I explained to you, but I have been verbalizing for some time.

Mr. MINETA. You send a telegram, "Strong letter to follow"?

General KELLEY. That is exactly right.

Mr. MINETA. I apologize if this question was asked earlier, Mr. Chairman, but I would like to ask about the airlift needs of the RDF, about the CX, as to whether or not it should be built, or whether there should be a modification of the C-5.

General KELLEY. We are modifying the C-5, as you know. We are putting in new center, the inner and outer wing boxes which will extend the service life of the C-5 by some 30,000 hours and put it well into the 21st century.

But the C-5, by itself, does not help our problem. We need an aircraft that accommodates or takes into consideration all of those characteristics which we now know we want in a strategic lift airplane, to include intertheater and intratheater capabilities.

We want to have the ability to carry outsized cargo, that is, tanks, APCs,—things that are large. We want to have an ability to go into as many airfields in the world as we possibly can, so we avoid a transshipment or distribution problem.

We want to have, if possible, the best within an operational envelope, the best STOL capabilities we can get today, and we feel in the CX that we have that. One of the problems with the C-5, while it is a heavy hauler and has landing gear with the capability of landing on a golf course, as an example, there aren't any golf courses that are big enough, and so it has a similar problem with a number of airfields throughout the world. It can land, but the taxiways, the turnarounds, the parking ramps are all limited, so we need an airplane that is smaller but still has the kind of

characteristics and capabilities that the C–5 and C–141 have. It will be hopefully an optimization of all of the things we have learned over the years, including an inflight refueling capability, outsize cargo, inter and intratheater, and so we do see a very valid requirement for an aircraft such as this.

Mr. MINETA. As you are looking at what is going on, when do you see that coming on?

General KELLEY. Sir, if the Congress approves the long lead or the initial money in January, after we submit the study, we are talking an IOC of roughly 1986. But we have got to start somewhere, sir.

Mr. MINETA. No question about that.

General KELLEY. I realize that a lot of these things are down the pike, but we have got to start somewhere. If we keep putting them off longer, they just keep going away from us longer.

Mr. MINETA. Given the 1986 IOC, are you prepositioning supplies?

General KELLEY. Yes, sir, we are looking at all those alternatives, both land-based prepositioning and some more sea-based prepositioning. As I mentioned, the C–4 ship as an example, can carry equipment, and supplies which would be equivalent roughly to 500 C–141 sorties, or about 3 days' worth of airlift.

Mr. MINETA. A last question, if I may: Is it contemplated that the RDF is primarily for non-NATO deployment?

General KELLEY. Yes, sir. We are a contingency force, a worldwide contingency force, for all contingencies outside of NATO and Korea. That is not to say, however, that one couldn't be used in either scenario, but that is not our primary focus.

Mr. MINETA. And as far as your size force, that again will depend on the mission. You can draw it from the 82d or the 101st, or the 24th Mechanized Infantry Division, or the 48th, or your three amphibious brigades within the Marines? That was what you can draw on.

General KELLEY. There is an——

Mr. MINETA. A basic corps?

General KELLEY. No, there is a top line in terms of my designated force list, and I emphasize this, too, but that top line is a planning number only. If in my contingency planning I come up with a larger requirement, then I fully intend to submit that larger requirement.

Mr. MINETA. Thank you very much, General Kelley.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Rudd.

Mr. RUDD. Mr. Chairman, thank you. If I may, one more question, General. I actually have two questions. What is the time frame—assuming that you get the funding that you need—what is the time frame as to when you have a truly operative force, bearing in mind that I guess training is everything, so that you can whip these different forces into some kind of shape?

The second part of that question is this: There has been a lot written and said about civilian intervention in commanders' decisions, especially in Vietnam, where it was really unconscionable, because the civilian head in Washington or someone who was connected in that way can't possibly know what is going on in the

field, and I am concerned about after you whip this into shape and you give me a time frame on it, how is this going to be possibly a political tool, but maybe not in that sense? How much say-so are the civilians, other than the Commander in Chief, going to have in the way of control over this force, or do you know?

General KELLEY. In a crisis situation, as I said at the start, sir, we will normally report directly back to the National Command Authorities via the Joint Chiefs of Staff. Prior to a crisis situation, I certainly would hope, under any and all but the most extreme circumstances, that the administration would consult with the Congress under the provisions of the War Powers Act. I totally support that.

Yes, you always have people who are meddlesome and will interfere, but that is the nature of the business. I have never objected to that as long as you have an open dialog and reasonable men listen to reason, so I personally have never had a problem with the concept of civilian control. I think that is a very healthy concept in our Government.

Time frame, sir, let me try to put it in a little different way. Let me take it service by service. First of all, the U.S. Navy at this particular moment is in the Indian Ocean with two carrier battle groups. Those would be the carrier battle groups that would be in support of the Rapid Deployment Joint Task Force once the Joint Task Force were deployed to that particular geographical area.

The Marine units are ready. Their readiness ratings are, relatively speaking, quite high. We have amphibious ships to support a one-MAF lift. These are disposed literally throughout the world, so I think the Marine Corps has the capability of moving today.

The Air Force tactical fighter squadrons and tactical fighter wings are ready. I am aware of each and every one of those squadrons and wings.

Mr. RUDD. General, what I really have in mind is this. There is no question in my mind but what the Air Force is totally trained. The Marine Corps is totally trained. The Army is totally trained. The Navy is totally trained. But your force and what you have in mind and whoever has in mind that started this is to whip these people, the four services, into shape so that they will act as a unit, and that is going to take an awful lot of training, the same kind of training it takes a marine to become a marine, or an Air Force pilot to become an Air Force pilot, or what-have-you, but that cohesion, what is the time frame on that?

General KELLEY. Well, training, sir, is really at the top. Training to get the major commanders used to working together. We have already been through three major crisis exercises that were of the CPX, the command post exercise mode. I just finished a fairly comprehensive and extensive commanders' conference down at MacDill. We have now formulated our standing operating procedures.

What I am saying is, as a headquarters, if worse came to worse, I would feel comfortable in deploying tomorrow.

Mr. RUDD. A company of marines could fold into a company of soldiers in the Army and act cohesively?

General KELLEY. Well, it wouldn't be at that level, sir.

Mr. RUDD. I am using that as an example.

General KELLEY. Yes, sir, but no one has ever envisioned that—envision, if you will, an Army corps on the flank and a Marine amphibious force on the other flank. I think that probably puts it in a more——

Mr. RUDD. I certainly thank you, sir.

The CHAIRMAN. Mr. Latta.

Mr. LATTA. General, you indicated you had a crisis exercise or a couple of them already. About how many troops were involved?

General KELLEY. Sir, these were command post exercises, and they did not involve troops per se, but let me give you a quick rundown on some of the things that have been done with the troops. The RDF Air Force, as an example, has conducted their largest red-flag exercise on a very sophisticated Soviet-oriented range out at Nellis Air Force Base, using over some 300 aircraft. It was a sight to behold—all types of aircraft flying some 5,000 sorties in June. That was an RDF exercise, exercising and evaluating the majority of the RDF Air Force units.

The 24th Division, as an example, has just run or did run 2 months ago, a major outloading exercise in the Port of Savannah. The 82d Airborne Division ran a large exercise down in Louisiana, the largest drop they have had in some number of years, and, as you well know, just also ran a strategic drop over in NATO. The 7th MAB, the Marine Amphibious Brigade at Twenty-Nine Palms, ran a mobility exercise, where they took every single man who is in that brigade, and had him load out on static airplanes. They had a C-141 and a C-5 there; they didn't actually deploy the aircraft, but every man was evaluated or rather knew his position in an airplane, and this involved some 11,000 people; so these are all of the—they may sound like penny packets of training exercises, but they are vital, and they have proven to us that the capability does exist, and I think, of course, Congressman Rudd put his hand on the most sensitive of all nerves, and that is the capability of the Rapid Deployment Joint Task Force Headquarters to orchestrate all of this, I feel confident right now that we have a capability, but there is a long way to go before I am going to tell you or anybody else that I am totally satisfied with the capability.

Mr. LATTA. One final question: Some congressional qualms have been raised about the reliability of some of these countries being mentioned as stations for prepositioning supplies, like Kenya, Somalia, and so forth. Does this give you some concern?

General KELLEY. Sir, that is a question that is above my pay grade. Yes, any prepositioning like that gives one concern. However, I don't know what the alternatives would be to that, so it is a calculated risk.

The CHAIRMAN. Will you yield?

Mr. LATTA. I will be happy to yield.

The CHAIRMAN. As a military man, doesn't the prepositioning of supplies in Western Europe also give you some concern?

General KELLEY. No, sir. Very frankly, it doesn't, because, while in isolation one might not like that, I don't know what the alternatives are.

The CHAIRMAN. It seems to me that anytime you preposition supplies anyplace other than in your own control, it is a matter of some concern.

General KELLEY. Oh, I think in that context that is a fair statement.

Mr. LATTA. May I just respond to my chairman by saying there is a difference between the governments in Western Europe and some of the other places that have been mentioned, since the former have been friends for a long time. I kind of think that we can depend a little bit more on them than on some of these other countries that might be friends today but tomorrow they want you out. I think that is one of the concerns that has been raised about this.

I, for one, General, want to thank you for your presentation. It has been very, very helpful to me as a member of this committee, and I am certain it has been very helpful to the members who were here. Unfortunately, they weren't all here, but since we were here until about 3 o'clock this morning, you can understand why some of them didn't get here, but it has been very, very helpful.

The CHAIRMAN. Mr. Mineta.

Mr. MINETA. Mr. Chairman, as a former military intelligence officer, I am wondering, because of your rapid deployment capability, what is your language capability, regardless of what country you may go to, whether deployed to Iran or whatever? What is your language capability?

General KELLEY. Extremely limited. The basic language capability that we would have in, say, Farsi, were we to deploy someplace like Iran, would come primarily from the 5th Special Forces group at Fort Bragg, but it is not something that you pick up easily. As you know, we have allowed our language capability in the services to diminish considerably.

I am not going to pretend that it is going to be effective, but one of the things we have; we have a number of our officers at our headquarters in Tampa who are going to Arabic language classes, but, you know, that is a long-term proposition, so I am not going to pretend they are going to be proficient in the Arabic language tomorrow. But again, one must start somewhere, so it is a recognized, known deficiency in terms of having sufficient numbers of people who have the Arabic language skills to do what I think is effective to do the job.

Mr. MINETA. Are there more resources needed at the DLI, the Defense Language Institute?

General KELLEY. I don't know what the loading problem is.

Mr. MINETA. Do you have any people there?

General KELLEY. No, sir, I do not. I do not in our headquarters. Now, some of the units like Special Forces may well have people there. I am just not aware of the fact that they are.

Mr. MINETA. Thank you.

The CHAIRMAN. General, we want to thank you very much for taking the time to come up here and be with us this morning. You have been very helpful, and I think you have given us a great deal of information to digest. We thank you.

General KELLEY. Thank you for the patience of the committee.

The CHAIRMAN. The committee is adjourned.

[The following questions along with replies were submitted for the record:]

Questions Submitted by Mr. Rudd Along With Replies by Lieutenant General Kelley

Defense Secretary Harold Brown has stated that if the United States has a Rapid Deployment Force of sufficient visibility, its very existence will act as a deterrent to conflict so that actual deployment of the force might not be necessary.

Question. What force level will be sufficient to act as deterrent to conflict?

Answer. A key to deterrence is the credibility of force—not just its size. An integrated and properly structured command, encompassing all modes of warfare, represents a capability which may serve as a deterrent by providing a signal of intent to the potential adversary. However, a force level designed to meet the threat of any particular scenario must be available for eventual deployment.

Question. How would the Rapid Deployment Force be made sufficiently visible in potential trouble spots to act as a deterrent to conflict?

Answer. The very existence of the RDJTF transmits a strong and powerful signal. It says we will not tolerate military adventurism in the Persian Gulf by outside forces. It says that threats to our friends and allies could constitute an assault on our vital interests, and when it does, we have the military capability to respond.

Question. When will sufficient force level, at an appropriate state of readiness, be organized and operational to permit effective use of a Rapid Deployment Force?

Answer. That would depend on the contingency and level of conflict—mid, low, or high intensity. Currently, the RDJTF can move a credible force to Southwest Asia. The caveat to this capability—is how long it would take to get there—due to airlift and sealift resources. In general, the forces assigned to the RDF are operationally capable to go today, and the organization for command and control of the RDF is manned.

Question. What steps can be taken in the near term to deter hostilities until the RDF becomes fully organized and operational, with requisite logistical requirements in place? Can the logistical and deployment schedule be further compressed?

Answer. For the first question, see the answer above. For the second question, we are taking the following initiatives:

(*a*) The Marine Corps/Navy Maritime Prepositioning Concept.

(*b*) Additional prepositioning afloat and ashore of munitions, petroleum products, and oversize outsize items which require extensive utilization of contrained strategic airlift.

(*c*) Additional strategic sealift.

(*d*) Bringing prepositioned war reserve stocks, theater reserve stocks, in EUCOM/PACOM to 100 percent fill of requirement with 10 to 20 percent overfill for potential RDJTF utilization.

A major concern about the Rapid Deployment Force is the vagueness of its mission, and the belief that it is a paper exercise that will do little to address the major problems of force modernization and improved readiness needed throughout our Armed Forces.

Question. What kind and level of threat will trigger an RDF response?

Answer. An RDF deployment is dependent upon the decision reached by the National Command Authorities.

Question. What are the ground rules for U.S. response?

Answer. The National Command Authorities establish the ground rules for a U.S. response.

Question. How will the RDF deter conflict if a host government does not request U.S. help?

Answer. The RDF could deter conflict if a host government does not request U.S. help by projection of presence in the area, e.g., if country "X" were threatened but did not request U.S. help, the RDF could deploy for exercise purposes or as a show of force. This would show U.S. resolve to a potential adversary, and put selected RDF forces in a strategic position to respond rapidly to a contingency involving U.S. interests. This would be particularly true of maritime forces which could remain at sea in close proximity to any potential conflict.

Question. If a friendly government is rapidly overthrown, does that preclude the RDF from intervening?

Answer. This decision would be made by the National Command Authorities.

Question. Is the RDF primarily designed to secure Middle East oil supplies, or is it designed with sufficient flexibility to counter other threats in other parts of the world?

Answer. The RDJTF was established to counter contingencies throughout the world, with the exception of NATO areas and Korea. The current focus of the RDJTF is Southwest Asia.

Question. Will the RDF be able to meet more than one threat simultaneously?

Answer. The strength of the RDF is in its organizational integrity. The RDF should not be fractionalized to cover multiple contingencies.

Question. Is the composition and strength of the RDF sufficient to match the likely opposition, including heavily armed and highly mobile Soviet or Soviet-model forces?

Answer. The response to this question is scenario dependent, and it would be imprudent to speculate on the public record.

Question. Should a conflict become prolonged, what is the relationship of the RDF to other forces? How long can the RDF remain in conflict?

Answer. In a prolonged conflict, other forces would augment the RDF. The RDF can remain in conflict as long as it can be supported and sustained logistically. This evaluation however, is scenario dependent.

Recent reports have indicated very severe problems throughout the armed services, including lack of combat readiness, an impending procurement crunch, shortages of spare parts and equipment, and other critical needs.

Question. Will this new RDF force structure, particularly with its requirement for extra equipment to be stored in prepositioned ships, further strain the availability of the general purpose forces to fulfill their duties effectively?

Answer. The essential dimensions of what is new about the RDJTF are not be be found in the component force structure, per se, but are associated with the joint headquarters itself, as well as propositioning initiatives indirectly related to the RDJTF, such as equipment stored in prepositioned vessels. Such prepositioning is accomplished, in the near term, by utilizing equipment and materials acquired for war reserves, all of which will have to be backfilled. Such activities do put extensive monetary strains on general purpose force options.

Question. Will the RDF further strain the personnel requirements of the services?

Answer. No. The RDF does not consist of new or additive force listings. Existing units are earmarked with an RDF identity and do not require additional personnel in order to fulfill that identity.

Question. Will trained replacements for RDF losses be available at existing personnel levels? If not, will its success make necessary a resumption of the draft?

Answer. Availability of trained replacements for RDF losses will depend on a host of variables: (*a*) the level of conflict encountered; (*b*) particularly skills lost; (*c*) duration and level of conflict; (*d*) specific services involved (Army, Air Force, Navy, Marine); et cetera. As a general statement, during low intensity combat our losses should be minimal and replacements available. As level of conflict rises, the probability of highly trained replacements being available on a timely basis is reduced. The necessity of resumption of the draft is dependent on wide variety of variables. As a general statement, the answer to this question must emanate from a source far above COMRDJTF's level.

[Whereupon, at 11:55 a.m., the committee adjourned.]

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